

**C. Venkat Krishna & Co**  
**Chartered Accountants**

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**M S K C & Associates LLP**  
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## **INDEPENDENT AUDITORS' REPORT**

To the Members of Ardee Engineering Limited [formerly known as Ardee Engineering Private Limited]

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying standalone financial statements of Ardee Engineering Limited [formerly known as Ardee Engineering Private Limited] ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit including other comprehensive income, changes in equity 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 (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditors responsibilities relating to other information'.



### **Responsibilities of Management and Board of Directors 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.



- (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - (1) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (2) The Management has represented, that, to the best of its knowledge and belief, 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, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
  - v. The Company has neither declared nor paid any dividend during the year.



- vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year, has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the in prior year as explained in Note 42 to the financial statements.
3. In our opinion, according to information, explanations given to us, the remuneration paid / provided by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

**For C. Venkat Krishna & Co**  
**Chartered Accountants**  
ICAI Firm Registration Number: 045995



P.V.N Sastry  
Partner  
Membership No. 029098  
UDIN: 25029098BMIUNR1102

Place: Hyderabad  
Date: August 29, 2025



**For M S K C & Associates LLP**  
**(formerly known as M S K C & Associates)**  
**Chartered Accountants**  
ICAI Firm Registration Number: 001595S/S000168



Tarun Kumar Jain  
Partner  
Membership No. 231741  
UDIN: 25231741BMLKZZ3825

Place: Hyderabad  
Date: August 29, 2025





**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ARDEE ENGINEERING LIMITED [FORMERLY KNOWN AS ARDEE ENGINEERING PRIVATE LIMITED]**

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

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

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

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

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

For C. Venkat Krishna & Co  
Chartered Accountants

ICAI Firm Registration Number: 045995



P.V.N Sastry  
Partner  
Membership No. 029098  
UDIN: 25029098BMLIUNR1102

Place: Hyderabad  
Date: August 29, 2025



For M S K C & Associates LLP  
(formerly known as M S K C & Associates)  
Chartered Accountants

ICAI Firm Registration Number: 001595S/S000168



Tarun Kumar Jain  
Partner  
Membership No. 231741  
UDIN: 25231741BMLKZZ3825

Place: Hyderabad  
Date: August 29, 2025



**ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ARDEE ENGINEERING LIMITED (FORMERLY KNOWN AS ARDEE ENGINEERING PRIVATE LIMITED) FOR THE YEAR ENDED MARCH 31, 2025**

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

- i. (a) A The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
- B The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment and right-of-use assets were physically verified by the management according to a phased programme designed to cover all items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of Property, Plant and Equipment and right-of-use assets have been physically verified by Management during the year. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements included in property, plant and equipment and capital work-in-progress are held in the name of the Company except for below one immovable property aggregating to Rs. 631.51 million as at March 31, 2025. The title deeds of immovable properties aggregating to Rs. 524.70 Mn as at March 31, 2025, are pledged with the banks/financial institutions and original copies are not available with the Company. The same has been independently confirmed by the banks/financial institutions to us and verified by us.

Sr. No.	Description of Property	Gross carrying value (Amount ₹ in Mn)	Held in the name of	Whether title deed holder is a promoter, director or their relative or employee	Period held - Indicate range, where appropriate	Reason for not being held in name of Company
1	Land in Telangana	631.51	Telangana Industrial Infrastructure Corporation Limited [TGILC Ltd]	No	From March 2025 to till date.	This Land was allotted to the Company by TGILC Ltd and Agreement of Sale is executed - where the transfer of title is subject to precedent conditions agreed between the parties - Refer Note 5A to the standalone financial statements.



- (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 intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceedings has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.
- ii. (a) The inventory (excluding stocks with third parties and stocks-in-transit) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them and in respect of goods in transit, the goods have been received subsequent to the year end. The discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations. In our opinion, the frequency, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores rupees in aggregate from banks on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the standalone financial statements, quarterly statements filed with such banks are in agreement with the books of accounts of the Company.
- iii. (a) According to the information and explanations provided to us, the Company has provided guarantee to other entity.

(A) The details of such guarantee to party other than associates are as follows:

Particulars	Guarantees (Amount ₹ in Mn)
<b>Aggregate amount granted / provided during the year</b>	
- Others (Refer Note 35)	52.50
<b>Balance Outstanding as at balance sheet date in respect of above cases</b>	
- Others (Refer Note 35)	52.50

(B) During the year the Company has not provided any loans or advances (in the nature of loans) or provided security to any other entity.

- (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 investments made, guarantees provided and terms and conditions in relation to investments made, guarantees provided are not prejudicial to the interest of the Company.
- (c) The Company has not provided any loans or advances in the nature of loans to any other entity during the year. Accordingly, provisions stated under clause 3(iii) (c), (d), (e) and (f) of the Order is not applicable.
- iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of investments and guarantees provided. Further there are no loans and security made, accordingly the provisions stated under clause 3(iv) of the Order to that extent is not applicable to the Company.





- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Act and the rules framed there under. Accordingly, the requirement to report under clause 3(iv) of the Order is not applicable to the Company.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its product supplies. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there has been a slight delay in a few cases. No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records examined by us, there are no dues relating to goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 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 and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its associates.
- (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 associate companies. Accordingly, the requirement to report under Clause 3(ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.





- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year in the course of our audit.
- (b) During the year no report under Section 143(12) of the Act, has been filed by cost auditor or secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.
- xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.
- (d) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is 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. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.



- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 38 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) In respect of other than ongoing projects, the Company has transferred unspent amount to a Fund specified in Schedule VII of the Act within a period of six months of the expiry of the financial year in compliance with second proviso to Section 135(5) of the Act as explained in Note 32 to the standalone financial statements.
- (b) In respect of ongoing projects, the Company has transferred unspent amount to a special account within a period of thirty days from the end of the financial year in compliance with Section 135(6) of the Act, as explained in Note 32 to the standalone 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.

For C. Venkat Krishna & Co  
Chartered Accountants  
ICAI Firm Registration Number: 045995



P.V.N Sastry  
Partner  
Membership No. 029098  
UDIN: 25029098BMIUNR1102

Place: Hyderabad  
Date: August 29, 2025



For M S K C & Associates LLP  
(formerly known as M S K C & Associates)  
Chartered Accountants  
ICAI Firm Registration Number: 0015955/S000168



Tarun Kumar Jain  
Partner  
Membership No. 231741  
UDIN: 25231741BMLKZZ3825

Place: Hyderabad  
Date: August 29, 2025



**ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ARDEE ENGINEERING LIMITED [ARDEE ENGINEERING PRIVATE LIMITED]**

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Ardee Engineering Limited [Ardee Engineering Private Limited] on the Financial Statements for the year ended March 31, 2025]

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

We have audited the internal financial controls with reference to standalone financial statements of Ardee Engineering Limited [Formerly Known as Ardee Engineering Private Limited] ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025 based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

**Management's and Board of Director's Responsibility for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

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



We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

#### Meaning of Internal Financial Controls With reference to Standalone Financial Statements

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

#### Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements

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


For C. Venkat Krishna & Co  
Chartered Accountants  
ICAI Firm Registration Number: 045995

  
P.V.N Sastry  
Partner  
Membership No. 029098  
UDIN: 25029098BMIUNR1102

Place: Hyderabad  
Date: August 29, 2025



For M S K C & Associates LLP  
(formerly known as M S K C & Associates)  
Chartered Accountants  
ICAI Firm Registration Number: 001595S/S000168

  
Tarun Kumar Jain  
Partner  
Membership No. 231741  
UDIN: 25231741BMLKZZ3825

Place: Hyderabad  
Date: August 29, 2025





Ardee Engineering Limited  
(formerly known as Ardee Engineering Private Limited)  
(CIN: U29100TG2020PLC141953)

**Standalone Balance Sheet as at March 31, 2025**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

Particulars	Note	As at March 31, 2025	As at March 31, 2024
<b>Assets</b>			
<b>Non-current assets</b>			
a) Property, plant and equipment	5	1,058.98	757.51
b) Capital work-in-progress	5A	804.01	-
c) Right-of-use assets	6	41.51	19.46
d) Intangible assets	7	1.66	1.84
e) Financial assets			
(i) Investments	8	5.65	5.45
(ii) Trade receivables	12	142.71	80.65
(iii) Other financial assets	9	125.19	24.28
f) Other assets	10	2.07	-
g) Deferred tax assets (net)	31	38.73	28.89
<b>Total non-current assets</b>		<b>2,220.51</b>	<b>918.08</b>
<b>Current assets</b>			
a) Inventories	11	1,212.28	683.53
b) Financial assets			
(i) Investments	8	8.63	7.96
(ii) Trade receivables	12	2,216.06	1,477.98
(iii) Cash and cash equivalents	13	1.54	1.08
(iv) Bank balances other than (iii) above	14	166.71	242.27
(v) Other financial assets	9	941.76	1,029.21
c) Other assets	10	335.95	260.12
<b>Total current assets</b>		<b>4,882.93</b>	<b>3,702.15</b>
<b>Total assets</b>		<b>7,103.44</b>	<b>4,620.23</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
a) Equity share capital	15	200.00	200.00
b) Other equity	16	1,168.36	671.70
<b>Total equity</b>		<b>1,368.36</b>	<b>871.70</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
a) Financial liabilities			
(i) Borrowings	17	903.50	371.71
(ii) Lease liabilities	6	28.11	10.26
b) Provisions	21	17.30	13.03
<b>Total non-current liabilities</b>		<b>948.91</b>	<b>395.00</b>
<b>Current liabilities</b>			
a) Financial liabilities			
(i) Borrowings	17	2,228.22	1,478.88
(ii) Lease liabilities	6	15.10	11.52
(iii) Trade payables	18		
Total outstanding dues of micro enterprises and small enterprises		258.24	1,028.37
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,896.83	670.00
(iv) Other financial liabilities	19	28.13	77.98
b) Provisions	21	2.41	1.91
c) Other current liabilities	20	335.54	79.90
d) Current tax liabilities (net)	22	21.70	4.97
<b>Total current liabilities</b>		<b>4,786.17</b>	<b>3,353.53</b>
<b>Total liabilities</b>		<b>5,735.08</b>	<b>3,748.53</b>
<b>Total equity and liabilities</b>		<b>7,103.44</b>	<b>4,620.23</b>

See accompanying notes forming part of the standalone financial statements

1-47

As per our report of even date attached

For C Venkat Krishna & Co

Chartered Accountants

ICAI Firm Registration No.: 004599S

For M S K C & Associates LLP

(formerly known as M S K C & Associates)

Chartered Accountants

ICAI Firm Registration No.: 001595S/S000168

For and on behalf of the Board of Directors

Ardee Engineering Limited

(formerly known as Ardee Engineering Private Limited)



P.V.N Sastry  
Partner  
Membership No. 029098



Tarun Kumar Jain  
Partner  
Membership No. 231741





Chandra Sekhar Moturu  
Chairman and Managing Director  
DIN 02010969



Ragdeep Moturu  
Whole-time Director  
DIN 07587747



Place: Hyderabad  
Date: August 29, 2025



Krishna Kumari Moturu  
Executive Director and  
Chief Financial Officer  
DIN 10376709

Place: Hyderabad  
Date: August 29, 2025



Disha Jindal  
Company Secretary and  
Compliance Officer  
Membership No. A65058



**Ardee Engineering Limited**

(formerly known as Ardee Engineering Private Limited)

(CIN: U29100TG2020PLC141953)

**Standalone Statement of Profit and Loss for the year ended March 31, 2025**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Income</b>			
Revenue from operations	23	7,789.03	6,209.90
Other income	24	38.11	18.47
<b>Total Income (I)</b>		<b>7,827.14</b>	<b>6,228.37</b>
<b>Expenses</b>			
Cost of materials consumed	25	4,886.41	4,080.48
Changes in inventories of work-in-progress	26	191.68	4.92
Employee benefits expense	27	352.28	272.56
Finance costs	28	271.96	156.01
Depreciation and amortisation expense	29	60.54	35.85
Other expenses	30	1,398.28	1,265.33
<b>Total expenses (II)</b>		<b>7,161.15</b>	<b>5,815.15</b>
<b>Profit before tax (I-II=III)</b>		<b>665.99</b>	<b>413.22</b>
<b>Tax expense</b>	31		
Current tax		179.68	101.20
Adjustment of income tax relating to earlier years (net)		-	16.12
Deferred tax		(9.97)	6.26
<b>Total tax expense (IV)</b>		<b>169.71</b>	<b>123.58</b>
<b>Profit after tax (III-IV=V)</b>		<b>496.28</b>	<b>289.64</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit liability		0.51	1.00
Deferred tax relating to these items		(0.13)	(0.25)
<b>Total other comprehensive income, net of tax (VI)</b>		<b>0.38</b>	<b>0.75</b>
<b>Total comprehensive income for the year (V+VI=VII)</b>		<b>496.66</b>	<b>290.39</b>
Earnings per equity share (Face value of Rs.5 each)	34		
Basic (In INR)		12.41	7.62
Diluted (In INR)		12.41	7.62

See accompanying notes forming part of the standalone financial statements 1-47

As per our report of even date attached

**For C Venkat Krishna & Co**  
Chartered Accountants

ICAI Firm Registration No.: 004599S

**For M S K C & Associates LLP**  
(formerly known as M S K C & Associates)

Chartered Accountants

ICAI Firm Registration No.: 001595S/S000168

**For and on behalf of the Board of Directors**  
**Ardee Engineering Limited**

(formerly known as Ardee Engineering Private Limited)

**P.V.N Sastry**

Partner

Membership No. 029098

**Tarun Kumar Jain**

Partner

Membership No. 231741

**Chandra Sekhar Moturu**

Chairman and Managing Director

DIN 02010969

**Ragdeep Moturu**

Whole-time Director

DIN 07587747

**Krishna Kumari Moturu**

Executive Director and

Chief Financial Officer

DIN 10376709

**Disha Jindal**

Company Secretary and

Compliance Officer

Membership No. A65058

Place: Hyderabad

Date: August 29, 2025

Place: Hyderabad

Date: August 29, 2025



Ardee Engineering Limited  
(formerly known as Ardee Engineering Private Limited)  
(CIN: U29100TG2020PLC141953)  
Standalone Statement of Changes in Equity for the year ended March 31, 2025  
(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

A. Equity share capital	Note	Number of shares	Amount
As at April 1, 2023 (Face Value of Rs. 10 each)		1,90,00,000	190.00
Change during the year	15	10,00,000	10.00
As at March 31, 2024 (Face Value of Rs. 10 each)		2,00,00,000	200.00
Sub-division of equity shares*	15	2,00,00,000	-
As at March 31, 2025 (Face Value of Rs. 5 each)		4,00,00,000	200.00

\*Refer note 15 on Sub-division of equity shares

B. Other equity					
Particulars	Reserves and Surplus			Other comprehensive income	Total
	Securities premium	Retained earnings	Debenture Redemption Reserve	Remeasurement of defined benefit obligations routed through OCI	
Balance as at April 1, 2023	-	139.91	-	1.40	141.31
Profit for the year	-	289.64	-	-	289.64
Other comprehensive income, net of tax	-	-	-	0.75	0.75
Securities premium on issue of equity shares	240.00	-	-	-	240.00
Balance as at March 31, 2024	240.00	429.55	-	2.15	671.70
Profit for the year	-	496.28	-	-	496.28
Other comprehensive income, net of tax	-	-	-	0.38	0.38
Debenture Redemption reserve created	-	(15.00)	15.00	-	-
Balance as at March 31, 2025	240.00	910.83	15.00	2.53	1,168.36

See accompanying notes forming part of the standalone financial statements

1-47

As per our report of even date attached  
For C Venkat Krishna & Co  
Chartered Accountants  
ICAI Firm Registration No.: 004599S

For M S K C & Associates LLP  
(formerly known as M S K C & Associates)  
Chartered Accountants  
ICAI Firm Registration No.: 001595S/S000168

For and on behalf of the Board of Directors  
Ardee Engineering Limited  
(formerly known as Ardee Engineering Private Limited)



P.V.N Sastry  
Partner  
Membership No. 029098



Tarun Kumar Jain  
Partner  
Membership No. 231744





Chandra Sekhar Moturu  
Chairman and Managing Director  
DIN 02010969



Ragdeep Moturu  
Whole-time Director  
DIN 07587747



Krishna Kumari Moturu  
Executive Director and  
Chief Financial Officer  
DIN 10376709



Disha Jindal  
Company Secretary and  
Compliance Officer  
Membership No. A65058

Place: Hyderabad  
Date: August 29, 2025

Place: Hyderabad  
Date: August 29, 2025



Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	
<b>A. Cash flow from operating activities</b>			
Profit before tax	665.99	413.22	
<b>Adjustments for:</b>			
Depreciation and amortisation expense	60.54	35.85	
Interest expense on borrowings measured at amortised cost	254.93	142.37	
Interest expense on lease liabilities	2.32	2.32	
Interest income on security deposits	(0.18)	(0.12)	
Interest income on fixed deposits	(19.17)	(8.97)	
Gain on sale of Property, plant and equipment	(0.24)	-	
Net gain on financial assets designated on FVTPL	(0.67)	(0.46)	
Liabilities no longer required written back	(17.79)	(8.92)	
Other borrowing costs	12.16	6.49	
Provision for credit impaired trade receivables	45.55	24.07	
Advance impaired written off	19.16	-	
<b>Operating profit before working capital changes</b>	<b>1,022.60</b>	<b>605.85</b>	
<b>Changes in working capital</b>			
<b>Adjustments for (increase) / decrease in operating assets:</b>			
Trade receivables	(845.69)	(742.95)	
Inventories	(528.75)	(236.97)	
Other financial assets	87.16	(543.45)	
Other assets	(29.99)	(156.54)	
<b>Adjustments for increase / (decrease) in operating liabilities:</b>			
Trade payables	431.63	901.37	
Provision	5.28	4.34	
Other financial liabilities	(49.85)	62.23	
Other liabilities	255.64	(267.55)	
<b>Cash flows from/(used in) operations</b>	<b>348.03</b>	<b>(373.67)</b>	
Income tax paid (net of refund)	(162.95)	(111.45)	
<b>Net cash flow from/(used in) operating activities</b>	<b>A</b>	<b>185.08</b>	<b>(485.13)</b>
<b>B. Cash flows from investing activities</b>			
Purchase of property, plant and equipment and intangible assets (including capital work-in-progress and capital advance)	(1,157.61)	(482.49)	
Proceeds from sale of property, plant and equipment	1.58	1.80	
Investment in associate	(0.20)	(5.45)	
Investment in mutual funds	-	(7.50)	
Movement in bank balances other than cash and cash equivalent	(24.88)	(186.73)	
Interest received on fixed deposits	19.17	8.97	
<b>Net cash flows (used in) investing activities</b>	<b>B</b>	<b>(1,161.94)</b>	<b>(671.40)</b>
<b>C. Cash flow from financing activities</b>			
Proceeds from issuance of equity share capital including securities premium	-	250.00	
Share issue expenses	(22.18)	-	
Proceeds from long term borrowings	1,070.21	403.51	
Repayment of long term borrowings	(241.98)	(71.26)	
Proceeds from short term borrowings (net)	452.90	479.72	
Interest paid on borrowings	(254.93)	(136.67)	
Other borrowing costs	(12.16)	(6.49)	
Payment towards principal portion of lease liability	(12.22)	(9.47)	
Interest paid on lease liabilities	(2.32)	(2.32)	
<b>Net cash flows generated from financing activities</b>	<b>C</b>	<b>977.32</b>	<b>907.02</b>
<b>Net Increase/(decrease) in cash and cash equivalents</b>	<b>A+B+C</b>	<b>0.46</b>	<b>(249.51)</b>
Cash and cash equivalents at the beginning of the year	1.08	250.59	
<b>Cash and cash equivalents at the end of the year (Refer Note 13)</b>	<b>1.54</b>	<b>1.08</b>	<b>250.59</b>

See accompanying notes forming part of the standalone financial statements

1-47

As per our report of even date attached

For C Venkat Krishna & Co  
Chartered Accountants

ICAI Firm Registration No.: 004599S

For M S K C & Associates LLP

(formerly known as M S K C & Associates)

Chartered Accountants

ICAI Firm Registration No.: 001595S/S000168

For and on behalf of the Board of Directors

Ardee Engineering Limited

(formerly known as Ardee Engineering Private Limited)

*P.V.N Sastry*

P.V.N Sastry  
Partner  
Membership No. 029098



*Tarun Kumar Jain*

Tarun Kumar Jain  
Partner  
Membership No. 231741



*M. Chandra Sekhar Moturu*

Chandra Sekhar Moturu  
Chairman and Managing Director  
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*Krishna Kumari Moturu*

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Executive Director and  
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DIN 10376709

*Raydeep Moturu*  
Raydeep Moturu  
Whole-time Director  
DIN 07587747

*Disha Jindal*

Disha Jindal  
Company Secretary and  
Compliance Officer  
Membership No. A65058



Place: Hyderabad  
Date: August 29, 2025

Place: Hyderabad  
Date: August 29, 2025



**Notes forming part of Standalone Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**1 Corporate information**

Ardee Engineering Limited (formerly known as Ardee Engineering Private Limited) ('the Company'/'Ardee') is a design, engineering and manufacturing entity formed in year 2008 as a partnership firm. On July 20, 2020, the Partnership firm was converted into private limited company under the provisions of the Companies Act, 2013. Later, the Company was converted from private limited company to public limited company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on June 5, 2024 and consequently the name of the Company was changed to Ardee Engineering Limited w.e.f August 05, 2024. The registered office is located at H. No. 8-2-334/K/1, Flat Nos. 101, 102 & 103, Aditya Court, Road No. 5, Banjara Hills, Hyderabad - 500034, Telangana, India.

The Company is engaged in turnkey PEB projects, material handling and processing solutions, electrical and automation solutions, heavy structural and precision engineering solutions, Infrastructure, Irrigation, Mining and Minerals, Ports, Power and Oil and Gas, are the major sectors where Ardee has operated in.

**2 Summary of Material accounting policies**

**2.1 Basis of preparation**

**(a) Statement of compliance with Ind AS**

The standalone financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under section 133 of the Companies Act, 2013 ("the Act"), read with Rule 3 of the Companies (Indian Accounting standards) Rules, 2015, and other relevant provisions of the Act as amended from time to time and presentation requirements of Division II of Schedule III to the Act, (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**(b) Basis of measurement**

This standalone financial statements has been prepared on accrual basis and under historical cost convention, except for the following items (refer to individual accounting policies for detail):

- i. Certain financial instruments - Fair value through profit or loss
- ii. Net defined benefit asset / (liability) - Present value of defined benefit obligations

The Company has prepared the standalone financial information on the basis that it will continue to operate as a going concern.

**(c) Functional and presentation currency**

The standalone financial statements is presented in Indian Rupees (Rs.) which is also the functional and presentation currency of the Company. All the amounts disclosed in the standalone financial statements which also include the accompanying notes have been rounded off to the nearest millions except for share and per share data and where otherwise stated, up to two decimal places as per the requirement of Schedule III to the Companies Act, 2013.

**(d) Use of estimates**

The preparation of standalone financial statements in conformity with principles of Ind AS requires the management to make judgements, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

In particular, information about the significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the standalone financial statements are disclosed in note no 3.

**(e) Classification between - Current and Non-current**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

**Operating Cycle**

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has determined its operating cycle as 12 months for the purpose of its assets and liabilities as current and non-current.



## 2.2 Property, plant and equipment

Property, plant and equipment ("PPE") are stated at cost, less accumulated depreciation and accumulated impairment loss, if any. The cost comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any expenditure directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

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

### Depreciation methods, estimated useful lives

Depreciation on property, plant and equipment is provided on a pro-rata basis on the Straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The estimated useful life, residual values and the depreciation method are reviewed at the end of each reporting period, with effect of any change in estimate accounted for on a prospective basis.

The useful life of assets are as follows:

Tangible assets	Useful life as per Schedule II	Useful life estimated by the management based on technical assessment
Buildings	30 years	15 - 30 years
Plant and machinery	15 years	3 - 15 years
Furniture and fixtures	10 years	10 years
Computers	3 years	3 years
Office equipments	5 years	5 - 10 years
Vehicles	8 years	8-15 years

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The residual values are not more than 5% of the original cost of the asset.

In case of a revision of useful lives, the unamortized depreciable amount is charged over the revised remaining useful life.

## 2.3 Intangible assets

Intangible assets acquired are reported at cost less accumulated amortisation and accumulated impairment losses, if any. The cost comprises its purchase price and directly attributable cost of preparing the asset for its intended use. Amortisation is recognised on a Straight line method basis over their estimated useful lives so as to reflect the pattern in which the assets economic benefits are consumed. The estimated useful life and the amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

The useful life of asset is as follows:

Asset	Useful lives
Software	5 years



*This space is intentionally left blank*

## 2.4 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest Company of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or Group of assets (the "cash-generating unit").

## 2.5 Leases

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

### Company as a lessee:

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

### Right-of-use assets

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

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2.4 Impairment of non-financial assets.

### Lease liabilities

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

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

### Short-term leases and leases of low-value assets

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

## 2.6 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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





**2.7 Inventories**

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

**i Raw materials, components and stores and spares:**

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average method. Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventories.

**ii Work-in-progress:**

Lower of cost and net realizable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a moving weighted average basis.

**iii Scrap:**

Scrap is valued at net realizable value.

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

**2.8 Revenue from contract with customers**

Revenue is recognised to the extent that it is highly probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Contract with customers include pre-engineered building, material handling and engineering contracts along with erection and installation services. All the supplies and services are considered as one performance obligation as the Company believes underlying goods and services are single performance obligation, single commercial objective or the consideration in one contract depends on another.

In respect of the contracts, revenue is recognised over a period of time using the input method (equivalent to percentage of completion method POCM) of accounting with contract costs incurred determining the degree of completion of the performance obligation.

Percentage of completion is determined on the basis of proportion of the costs of shipment made and cost of erection incurred as against the total estimated cost of shipment and erection.

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of a third party. Payment terms agreed with a customer are as per business practice, and there is no financing component involved in the transaction price.

Liquidated damages (LD) represents the expected claim which the Company may need to pay for non-fulfilment of certain commitments as per the terms of respective sales contract. These are determined on case to case basis considering the dynamics of each contract and the factors relevant to that sale.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense in the Statement of Profit and Loss in the period in which such probability occurs. Due to the uncertainties attached, the revenue on account of extra claims are accounted for at the time of acceptance / settlement by the customers.

The Company typically provides warranties for general repairs of defects that existed at the time of sale. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

**Interest income**

Interest income on investments and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss or fair value through other comprehensive income. Interest receivable on customer dues is recognised as income in the Statement of Profit and Loss on accrual basis provided there is no uncertainty of realisation.

**Contract balances**

**a. Contract Assets:**

Revenue earned but not billed to customers against contract with customers is reflected as unbilled revenue under "Other financial assets" because the receipt of consideration is conditional on Company's performance under the contract (i.e., transfer control of related goods or services to the customer). Upon completion of the installation and acceptance by the customer, the amount recognised as unbilled revenue is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to the accounting policies on impairment of financial assets in note 2.12 Financial instruments – initial recognition and subsequent measurement.

**b. Trade Receivables:**

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to the accounting policies of financial assets in note 2.12 (Financial instruments – initial recognition and subsequent measurement).

**c. Contract Liabilities:**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. These amounts are reflected as Advance from customers under "Other liabilities". Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).



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## **2.9 Retirement and other employee benefits**

### **Defined contribution plan**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

### **Defined benefit Plan**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Company determines the net interest expense/ (income) on the net defined benefit liability/ (asset) for the period by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. This rate is applied on the net defined benefit liability/(asset), both as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Company has a defined benefit gratuity plan, governed by the Payment of Gratuity Act, 1972 which entitles an employee, who has rendered at least five years of continuous service, to gratuity payable on termination of his employment at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

## **2.10 Taxes**

Tax expense for the year, comprising current tax and deferred tax, are included in determination of the net profit or loss for the year.

### **Current income tax**

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### **Deferred tax**

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

Deferred tax assets are recognised for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

## **2.11 Provisions, contingent liabilities and contingent assets**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or is a present obligation that arises from past event but is not recognized because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognized.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each reporting date.



## 2.12 Financial instruments

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

### Financial assets

#### Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, (in the case of financial assets not recorded at fair value through statement of profit and loss) transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed off in the statement of profit & loss. Trade receivable that does not contain a significant financing component are measured at transaction price.

#### Classification and subsequent measurement:

##### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition and impairment losses (if any) are recognised directly in profit or loss.

The Company's financial assets at amortised cost includes trade receivables and security deposit.

**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.

The Company has not designated any financial asset (debt instruments) at FVTOCI.

**Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss.

The Company has designated investments in mutual funds (debt instruments) in this category.

#### Derecognition:

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

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

#### Impairment of financial assets

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

#### Financial liabilities and equity

An instrument issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

##### Financial liabilities

#### Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

#### Subsequent measurement:

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

**Financial liabilities at fair value through profit or loss:** Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

**Financial liabilities at amortised cost:** Financial liabilities are subsequently carried at amortised cost using the effective interest method.

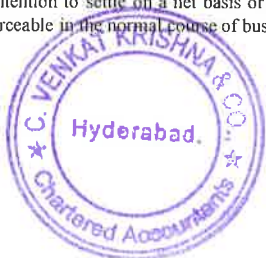
This category generally applies to borrowings. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### Derecognition:

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

#### Offsetting financial instruments:

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



**Notes forming part of Standalone Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**2.13 Investments in the nature of equity in Associate**

Investment in associate are valued at Cost. Dividend Income from Associates is recognized when its right to receive the dividend is established.

**2.14 Earnings Per Share**

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

The weighted average number of equity shares outstanding during the year adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**2.15 Segment Reporting**

**Identification of segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors monitors the operating results as a single segment considering activities of manufacturing, supply, erection and installation of pre-engineered buildings, material handling solutions and related services as one single operating segment. The analysis of geographical segments is based on the location in which the customers are situated.

**3 Significant accounting judgments, estimates and assumptions**

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

**3.1 Judgements / estimates**

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

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial year, are described below:

a. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared.

b. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**(a) Revenue from contracts with customers**

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining the revenue to be recognized in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.

Determining the expected losses, which are recognized in the period in which such losses become probable based on the expected total contract cost as of the reporting date.

**(b) Useful lives of property, plant and equipment**

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by the management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful lives of the assets.

**(c) Contingent liabilities**

The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

**(d) Provision for expected credit losses of trade receivables and contract assets**

The Company makes provision of expected credit losses on trade receivables using a provision matrix. The provision matrix is based on its historical observed default rates, adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and the Company makes appropriate provision wherever outstanding is for longer period and involves higher risk.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

**(e) Defined benefit plans (Gratuity benefits)**

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

All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality table. The mortality table tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

**(f) Deferred tax recognition**

Deferred tax asset (DTA) is recognized only when and to the extent there is convincing evidence that the Company will have sufficient taxable profits in future against which such assets can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, recent business performance and developments.





**4 Recent accounting pronouncements**

The Ministry of Corporate Affairs has notified amendments to various Indian Accounting Standards through the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025 as under:

**• Amendments to Ind AS 1 and Ind AS 10: Classification of Liabilities as Current or Non-current**

These amendments are introduced to clarify the requirements on determining whether a liability is current or non-current and require new disclosures for non-current liabilities that are subject to future covenants. These amendments apply for the annual reporting periods beginning on or after April 1, 2025, while certain amendments are effective for annual reporting periods beginning on or after April 1, 2026. The Company is in the process of assessing the impact of these amendments, which will be applied retrospectively in accordance with Ind AS 8. These amendments may particularly affect the classification and disclosures relating to non-current borrowings subject to future covenant compliance.

**• Amendments to Ind AS 107 and Ind AS 7: Supplier Finance Arrangements**

These amendments introduce new disclosures relating to supplier finance arrangements that assist users of the financial statements to assess the effects of these arrangements on an entity's liabilities and cash flows and on an entity's exposure to liquidity risk. The amendments apply for the annual reporting periods beginning on or after April 1, 2025.

The Company is in the process of assessing whether any of its supplier related financing arrangements fall within the scope of these amendments and, if so, will provide the required disclosures.

**• Amendments to Ind AS 21: The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)**

These amendments require assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable and also requires specific disclosures viz. the nature and financial effects of the currency not being exchangeable, the spot exchange rates used, the estimation process, and the risks to which the entity is exposed because of the currency not being exchangeable. The amendment also lays down transition requirements, while specifically stating that an entity shall not restate comparative information in applying Lack of Exchangeability. These amendments are effective from April 1, 2025; however, these amendments are not expected to have a material impact on the Company's financial statements as the Company's transactions are limited to currencies that are freely convertible and exchangeable, and management has assessed that no significant restrictions apply to its operations.

**• Amendments to Ind AS 12: International tax reform—Pillar Two model rules**

The amendments to Ind AS 12 have been introduced in response to the OECD's BEPS Pillar Two rules and include a mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules and disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation.

These amendments have no impact on the Company's financial statements as the Company is not in scope of the Pillar Two model rules.



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**Ardee Engineering Limited**  
(formerly known as Ardee Engineering Private Limited)  
(CIN: U29100TG2020PLC141953)

**Notes forming part of Standalone Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**5 Property, plant and equipment**

Gross Carrying value (at cost or deemed cost)	Land	Buildings	Plant and machinery	Furniture and fixtures	Computers	Office equipment	Vehicles	Total
<b>Balance as at April 1, 2023</b>	98.06	61.00	69.65	1.72	3.33	3.70	87.72	325.18
Additions	179.25	63.61	153.40	0.55	2.67	5.63	75.50	480.61
Disposals	-	-	-	-	-	-	2.01	2.01
<b>Balance as at March 31, 2024</b>	277.31	124.61	223.05	2.27	6.00	9.33	161.21	803.78
Additions	247.39	-	41.51	0.47	2.18	10.00	49.06	350.61
Disposals	-	-	1.45	-	-	-	-	1.45
<b>Balance as at March 31, 2025</b>	524.70	124.61	263.11	2.74	8.18	19.33	210.27	1,152.94
<b>Accumulated depreciation</b>								
<b>Balance as at April 1, 2023</b>	-	2.44	4.88	0.12	1.19	0.48	11.57	20.68
Depreciation for the year	-	3.64	6.33	0.22	1.64	0.86	13.11	25.80
Disposals	-	-	-	-	-	-	0.21	0.21
<b>Balance as at March 31, 2024</b>	-	6.08	11.21	0.34	2.83	1.34	24.47	46.27
Depreciation for the year	-	5.00	16.65	0.25	1.80	2.58	21.52	47.80
Disposals	-	-	0.11	-	-	-	-	0.11
<b>Balance as at March 31, 2025</b>	-	11.08	27.75	0.59	4.63	3.92	45.99	93.96
<b>Net carrying amount as at March 31, 2024</b>	277.31	118.53	211.84	1.93	3.17	7.99	136.74	757.51
<b>Net carrying amount as at March 31, 2025</b>	524.70	113.53	235.36	2.15	3.55	15.41	164.28	1,058.98

**Notes:**

- The Company has not revalued its property, plant and equipment
- Refer Note 17.1 for details on property, plant and equipment subject to charge on secured borrowings.



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5A Capital work-in-progress

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	-	-
Additions during the year	804.01	-
Capitalised during the year	-	-
Closing balance	804.01	-

Ageing schedule

Particulars	Amount in CWIP for a period of		
	Less than 1 year	1-2 years	2-3 years
Projects in progress (Refer notes below)	804.01	-	-
Projects temporarily suspended	-	-	-

As at March 31, 2024

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

Notes:

1. Project execution plans are reviewed periodically on the basis of Management's judgement and estimates w.r.t future business, technological developments / economy / industry / regulatory environment and all the projects are assessed as per periodic plan. There are no capital work-in progress projects, whose completion is overdue or has exceed its cost compared with its original plan as at March 31, 2025.
2. Refer Note 17.1 for details on property, plant and equipment subject to charge on secured borrowings.
3. Project in progress includes below:

Description of Property	Gross carrying value (Rs. in Mn)	Held in name of	Whether it is in name of promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Land at Seccharampur	631.51	Telangana Industrial Infrastructure Corporation Limited (TIGIC Ltd)	No	From October 2024 to till date	The land was acquired by the Company pursuant to the agreement of sale dated March 11, 2025 entered between TIGIC Ltd and the Company. The allotted land shall be utilised for setting up of "new manufacturing facility" as per Detailed project report. The transfer of title/Execution of Sale deed is subject to conditions stipulated in final allotment letter dated March 07, 2025. The entity has not incurred any amount for setting up of the new manufacturing facility as of the reporting date. The management is of the view that all the conditions stipulated are likely to be fulfilled.



6 Right of use assets and Lease liabilities

**Right-of-use assets:**

Description	Buildings	Plant and machinery	Total
Cost as at April 1, 2023	19.31	8.20	27.51
Additions	9.27	-	9.27
Deletions	-	-	-
Cost as at March 31, 2024	28.58	8.20	36.78
Additions	34.34	-	34.34
Deletions	-	-	-
Cost as at March 31, 2025	62.92	8.20	71.12
Accumulated depreciation as at April 1, 2023	5.60	1.89	7.49
Depreciation for the year	7.93	1.90	9.83
Deletions	-	-	-
Accumulated depreciation as at March 31, 2024	13.53	3.79	17.32
Depreciation for the year	10.40	1.89	12.29
Deletions	-	-	-
Accumulated depreciation as at March 31, 2025	23.93	5.68	29.61
Net carrying amount as at March 31, 2024	15.05	4.41	19.46
Net carrying amount as at March 31, 2025	38.99	2.52	41.51

**Lease liabilities:**

(i) Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Balance at the beginning	21.78	22.27
Additions during the year	33.65	8.98
Accrual of interest	2.32	2.32
Interest paid on lease liabilities	(2.32)	(2.32)
Payment of lease liabilities	(12.22)	(9.47)
Closing balance	43.21	21.78
Less: Current lease liabilities	15.10	11.52
Non-current lease liabilities	28.11	10.26

**(ii) Payments recognised as expenses:**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Short-term leases and low value assets (refer Note 30)	157.32	105.23

**Notes:**

**(i) Leases where Company is a lessee**

The Company has lease contracts for buildings and Industrial property which has lease term between 3 to 6 years. The Company also has lease contracts for plant and machinery, which has lease term of 6 years.

The Company also has certain leases of equipment, machinery and commercial space with lease term up to 12 months. The Company applies the recognition exemptions relating to short-term leases.

(ii) Contractual maturities of lease liabilities on undiscounted basis are disclosed in Note 37.



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**Ardee Engineering Limited**

(formerly known as Ardee Engineering Private Limited)

(CIN: U29100TG2020PLC141953)

**Notes forming part of Standalone Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**7 Intangible assets**

Description	Computer Software
Cost as at April 1, 2023	0.52
Additions	1.59
Disposals	-
Cost as at March 31, 2024	2.11
Additions	0.27
Disposals	-
Cost as at March 31, 2025	2.38
Accumulated amortisation as at April 1, 2023	0.05
Amortisation for the year	0.22
Disposals	-
Accumulated amortisation as at March 31, 2024	0.27
Amortisation for the year	0.45
Disposals	-
Accumulated amortisation as at March 31, 2025	0.72
Net carrying amount as at March 31, 2024	1.84
Net carrying amount as at March 31, 2025	1.66

**Note:**

The Company has not revalued its intangible assets.

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**Ardee Engineering Limited**

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**Notes forming part of Standalone Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**8 Investments**

	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
<b>Non-current</b>				
<b>Investment in Associate</b>				
<b>In unquoted equity shares (fully paid up)</b>				
(i) Ingwenya Mineral Tech Private limited - Equity shares having face value of Rs.100 each	90,870	5.45	90,870	5.45
(ii) Ardee Yantrik Private limited - Equity shares having face value of Rs.10 each*	20,000	0.20	-	-
		<b>5.65</b>		<b>5.45</b>

\*The Company acquired 20,000 equity shares at face value Rs. 10 each amounting to Rs.0.20 Mn as subscriber to the memorandum of Ardee Yantrik Private Limited, incorporated on November 27, 2024 representing 40.00% of the total equity share capital.

**Current****Investments in unquoted mutual funds (carried at fair value through profit and loss)**

HDFC Short Term Debt-G	2,75,693.13	8.63	2,75,693.13	7.96
		<b>8.63</b>		<b>7.96</b>

**Notes:**

- (a) Aggregate value of unquoted investments in equity shares 5.65 5.45  
(b) Aggregate value of unquoted investments in mutual funds 8.63 7.96  
(c) Change in fair value of the investments in mutual funds during the year 0.67 0.46  
(d) Refer Note 36 for fair value measurements and Note 37 for information about the Company's exposure to financial risks.  
(e) Refer Note 17.1 for details on investments subject to charge on secured borrowings.

**9 Other financial assets (Unsecured, considered good)**

	As at March 31, 2025	As at March 31, 2024
<b>Non-current</b>		
Security deposits	1.44	0.97
Deposits with maturity more than 12 months		
Margin money deposits with banks*	123.75	23.31
	<b>125.19</b>	<b>24.28</b>
<b>Current</b>		
Security deposits	30.98	8.37
Interest accrued on fixed deposits with bank	6.10	10.73
Unbilled revenue	898.78	1,005.74
Other receivables	5.90	4.37
	<b>941.76</b>	<b>1,029.21</b>

\* Margin money deposits held against issuance of bank guarantees and letter of credits provided in favour of customers and suppliers.

**10 Other assets**

	As at March 31, 2025	As at March 31, 2024
<b>Non-current</b>		
Capital Advance	2.07	-
	<b>2.07</b>	<b>-</b>
<b>Current</b>		
Advances recoverable in kind or for value to be received	127.54	100.25
Prepaid expenses	9.73	2.46
Balance with government authorities	133.68	157.41
Share issue expenses*	65.00	-
	<b>335.95</b>	<b>260.12</b>

\*During the year ended March 31, 2025, the Company incurred expenses in connection with the proposed Initial Public Offer (IPO) of equity shares of the Company by way of fresh issue and an offer for sale by the existing shareholders. In relation to the IPO expenses incurred till date, except for listing fees which shall be solely borne by the Company, all other expenses will be shared between the Company and the Selling Shareholders on a pro-rata basis, in proportion to the equity shares issued and allotted by the Company in the fresh issue and the offered shares sold by the selling shareholders in the offer for sale.

**11 Inventories**

	As at March 31, 2025	As at March 31, 2024
<i>All inventories except for scrap are valued at the lower of cost or net realisable value and scrap is valued at net realisable value</i>		
Raw material*	1,043.19	329.21
Work-in-progress	90.38	330.45
Store and spares	28.40	21.95
Scrap	50.31	1.92
	<b>1,212.28</b>	<b>683.53</b>

\*includes goods-in-transit amounting to Rs. 11.58 Mn (March 31, 2024: Rs. 171.32 Mn)

Refer Note 17.1 for details on Inventories subject to charge on secured borrowings



**Ardee Engineering Limited**

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**Notes forming part of Standalone Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**12 Trade receivables**

	As at March 31, 2025	As at March 31, 2024
<b>Non-Current</b>		
Unsecured		
- Considered good	142.71	80.65
	<b>142.71</b>	<b>80.65</b>
<b>Current</b>		
Unsecured		
- Considered good	2,216.06	1,477.98
- Credit impaired	182.33	141.15
	<b>2,398.39</b>	<b>1,619.13</b>
Less: Allowance for credit impaired trade receivables (refer note g below)	(182.33)	(141.15)
	<b>2,216.06</b>	<b>1,477.98</b>

**Notes:**

(a) Amounts due from related parties out of the above trade receivables (refer note 35)

(b) Trade receivables are non-interest bearing and are generally on credit terms of 0 to 90 days from date of invoicing other than retention money which is due upon expiry of defect liability period. The Company does not hold any collateral security.

(c) Trade receivables includes retention money aggregating to Rs. 238.57 Mn (March 31, 2024: Rs. 90.88 Mn).

(d) Refer Note 37 for information about the Company exposure to financial risks, and details of impairment losses for trade receivables and fair values.

(e) Refer Note 17.1 for details on trade receivables subject to charge on secured borrowings.

(f) No Trade receivables are due from directors or officers of the company.

**(g) Ageing of Trade receivables****As at March 31, 2025**

Particulars	Non-current but not Due	Current but not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 Months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade receivables</b>								
- considered good	142.71	1,538.68	267.14	367.00	42.32	0.92	-	2,358.77
- which have significant increase in credit risk	-	-	-	-	-	-	-	-
- credit impaired	-	-	1.96	29.31	67.26	28.77	55.03	182.33
<b>Disputed trade receivables</b>								
- considered good	-	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-	-
Subtotal	142.71	1,538.68	269.10	396.31	109.58	29.69	55.03	2,541.10
Less: Allowance for credit impaired trade receivables	-	-	(1.96)	(29.31)	(67.26)	(28.77)	(55.03)	(182.33)
<b>Total</b>	<b>142.71</b>	<b>1,538.68</b>	<b>267.14</b>	<b>367.00</b>	<b>42.32</b>	<b>0.92</b>	<b>-</b>	<b>2,358.77</b>

**As at March 31, 2024**

Particulars	Non-current but not Due	Current but not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 Months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade receivables</b>								
- considered good	80.65	965.42	226.86	73.68	159.22	52.80	-	1,558.63
- which have significant increase in credit risk	-	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	141.15	-	141.15
<b>Disputed trade receivables</b>								
- considered good	-	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-	-
Subtotal	80.65	965.42	226.86	73.68	159.22	193.95	-	1,699.78
Less: Allowance for credit impaired trade receivables	-	-	-	-	-	(141.15)	-	(141.15)
<b>Total</b>	<b>80.65</b>	<b>965.42</b>	<b>226.86</b>	<b>73.68</b>	<b>159.22</b>	<b>52.80</b>	<b>-</b>	<b>1,558.63</b>



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**Notes forming part of Standalone Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**(h) Expected credit loss (ECL)**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit in the normal course of business. Before accepting any new customer, the Company assesses the potential customer's credit quality.

**The movement in the allowance for credit loss:**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	141.15	149.30
Less: Written off during the year	(4.37)	(32.21)
Add: Provision created during the year	45.55	24.06
<b>Closing balance</b>	<b>182.33</b>	<b>141.15</b>

(i) Of the trade receivables balance of Rs. 1,785.45 Mn for the year ended March 31, 2025 (March 31, 2024: Rs 896.12 Mn) is due from Company's largest customers individually representing more than 5% of total trade receivables balance.

**13 Cash and cash equivalents**

	As at March 31, 2025	As at March 31, 2024
Cash on hand	0.12	0.31
Balances with banks:		
In current accounts	1.42	0.77
	<b>1.54</b>	<b>1.08</b>

**14 Bank balances other than cash and cash equivalent**

	As at March 31, 2025	As at March 31, 2024
Deposits with remaining maturity less than 12 months		
Margin money deposits with banks*	166.71	242.27
	<b>166.71</b>	<b>242.27</b>

\* Margin money deposits held against issuance of bank guarantees and letter of credits provided in favour of customers and suppliers.



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15 Equity share capital

	As at March 31, 2025	As at March 31, 2024
<b>Authorized share capital</b>		
7,00,00,000 equity shares of Rs. 5 each* (March 31, 2024: 3,50,00,000 equity shares of Rs. 10 each)	350.00	350.00
<b>Issued, subscribed and fully paid up</b>		
4,00,00,000 equity shares of Rs. 5 each* (March 31, 2024: 2,00,00,000 equity shares of Rs. 10 each)	200.00	200.00
	<b>200.00</b>	<b>200.00</b>

(i) Shareholders vide the Extra-ordinary general meeting dated March 30, 2024 have approved increase in Authorised Equity Share Capital of the Company from Rs. 200.00 Mn divided into 20,00,00,000 Equity shares of Rs. 10 each to Rs. 350.00 Mn divided into 3,50,00,000 Equity shares of Rs. 10 each by addition of 1,50,00,000 equity shares of Rs. 10 each, ranking pari-passu with existing shares of the Company.

(ii) Sub-division of equity shares\*

Pursuant to resolution passed by the Board of Directors on January 28, 2025 and resolution passed by the Shareholders on January 29, 2025, the company has made Sub-division of 1 (one) equity share of nominal/face value of Rs. 10 into 2 (two) equity shares of nominal/face value of Rs. 5 each, fully paid-up w.e.f. January 31, 2025. Accordingly, the authorised share capital of our Company was sub-divided from 3,50,00,000 equity shares of face value of ₹10 each to 7,00,00,000 Equity Shares of face value of Rs. 5 each.

Notes:

i) Reconciliation of Authorised equity shares at the beginning and at the end of the year:

Particulars	March 31, 2025		March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	3,50,00,000	350.00	2,00,00,000	200.00
Add: Increase in Authorised Share Capital (Refer note below)	-	-	1,50,00,000	150.00
Add: Sub-division of equity shares*	3,50,00,000	-	-	-
<b>Balance at the end of the year</b>	<b>7,00,00,000</b>	<b>350.00</b>	<b>3,50,00,000</b>	<b>350.00</b>

Note:

\*Refer note above on Sub-division of equity shares.

ii) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	2,00,00,000	200.00	1,90,00,000	190.00
Add: Issue during the year (Refer note below)	-	-	10,00,000	10.00
Add: Sub-division of equity shares*	2,00,00,000	-	-	-
<b>Outstanding at the end of the year</b>	<b>4,00,00,000</b>	<b>200.00</b>	<b>2,00,00,000</b>	<b>200.00</b>

Note:

During FY 2023-24 vide board resolution dated March 28, 2024, the Company has issued 10,00,000 Equity shares with a face value of Rs. 10 each at issue price of Rs. 250 per equity share with premium of Rs. 240 per share.

\*Refer note above on Sub-division of equity shares.

iii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Rs. 5 per share (post split- Refer note above for details). Each shareholder is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iv) Shares held by shareholders holding more than 5% shares of the aggregate shares of the Company:

Name of shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares#	% holding	No. of shares	% holding
Mr. Chandra Sekhar Moturu*	3,59,99,900	90.00%	1,79,99,950	90.00%
Mr. Ragdeep Moturu	40,00,000	10.00%	20,00,000	10.00%

\* % holding as of March 31, 2025 and March 31, 2024 - 89.9998% are rounded off to 90.00%.

#Refer note above on Sub-division of equity shares.

v) Shareholding of promoters

Name of promoter	As at March 31, 2025		As at March 31, 2024		% change during the year
	No. of shares**	% holding	No. of shares	% holding	
Mr. Chandra Sekhar Moturu*	3,59,99,900	90.00%	1,79,99,950	90.00%	-
Mr. Ragdeep Moturu	40,00,000	10.00%	20,00,000	10.00%	-
Mrs. Krishna Kumari Moturu#	20	0.00%	-	-	100.00%
Mr. Arundee Moturu#	20	0.00%	-	-	100.00%

\* % holding as of March 31, 2025 and March 31, 2024 - 89.9998% are rounded off to 90.00%.

# Shares are transferred during FY 2023-24 vide resolution March 28, 2024 to the respective shareholders as indicate above, however the shareholders are categorised in the capacity of promoters vide board resolution dated September 17, 2024.

Refer note 17.1 for the details of promoters shares pledged

\*\*Refer note above on Sub-division of equity shares.

Name of promoter	As at March 31, 2024		As at March 31, 2023		% change during the year
	No. of shares	% holding	No. of shares	% holding	
Mr. Chandra Sekhar Moturu*	1,79,99,950	90.00%	1,71,00,000	90.00%	0.00%
Mr. Ragdeep Moturu	20,00,000	10.00%	19,00,000	10.00%	-

\* % holding as of March 31, 2024 - 89.9998% are rounded off to 90.00%.





16 Other equity

	As at March 31, 2025	As at March 31, 2024
<b>Reserves and surplus</b>		
Securities premium [Refer Note (i) below]	240.00	240.00
Retained earnings [Refer Note (ii) below]	910.83	429.55
Debenture redemption reserve [Refer Note (iii) below]	15.00	-
<b>Other comprehensive income</b>		
Remeasurement of net defined benefit plan [Refer Note (iv) below]	2.53	2.15
<b>Total other equity</b>	<b>1,168.36</b>	<b>671.70</b>

Notes:

Movement in reserves and surplus	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>(i) Securities premium</b>		
Balance at the beginning of the year	240.00	-
Add: Issue of equity shares (refer note 15)	-	240.00
<b>Balance at the end of the year</b>	<b>240.00</b>	<b>240.00</b>
<b>(ii) Retained earnings</b>		
Balance at the beginning of the year	429.55	139.91
Less: Transfer to Debenture redemption reserve	(15.00)	-
Add: Net profit for the year	496.28	289.64
<b>Balance at the end of the year</b>	<b>910.83</b>	<b>429.55</b>
<b>(iii) Debenture redemption reserve</b>		
Balance at the beginning of the year	-	-
Add: Transfer from retained earnings	15.00	-
<b>Balance at the end of the year</b>	<b>15.00</b>	<b>-</b>
<b>(iv) Other comprehensive income (OCI)</b>		
Remeasurement of defined benefit obligations (liability net of tax)		
Balance at the beginning of the year	2.15	1.40
Add: Changes during the year	0.38	0.75
<b>Balance at the end of the year</b>	<b>2.53</b>	<b>2.15</b>

Nature of reserves:

(a) Securities premium

Securities premium represents the amount received in excess of the face value of the equity shares. The utilisation of the securities premium reserve is governed by the section 52 of the Act.

(b) Retained earnings

Retained earnings represents the cumulative undistributed profits of the Company and can be utilised in accordance with the provisions of the Act.

(c) Debenture Redemption Reserve

Represents the amount transferred to separate reserve on account of issue of Redeemable non-convertible debentures and should be utilised in accordance with the provisions of the Act.

(d) Other comprehensive income (OCI)

Remeasurement of defined benefit plan include re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to profit and loss.



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**Ardee Engineering Limited**

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(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**17 Borrowings**

	As at March 31, 2025	As at March 31, 2024
<b>Non current (at amortised cost)</b>		
<b><u>Secured</u></b>		
<b>a. Term loans</b>		
(i) From banks	320.87	189.73
(ii) From non-banking financial companies	364.54	28.19
<b>b. Vehicle and equipment loans</b>		
(i) From banks	133.51	101.53
(ii) From non-banking financial companies	25.69	32.96
<b>c. Business loan</b>		
From banks	18.71	18.69
<b>d. Redeemable non-convertible debentures</b>		
From others	147.37	-
<b><u>Unsecured</u></b>		
<b>a. Term loans</b>		
(i) From non-banking financial companies	261.12	15.22
<b>b. Working Capital - Business loans</b>		
(i) From banks	-	6.55
(ii) From non-banking financial companies	45.67	36.89
<b>c. Loan from others</b>		
(i) Inter-corporate loan	-	59.49
Less: Current maturities of long-term borrowings	(413.98)	(117.54)
<b>Total non current borrowings</b>	<b>903.50</b>	<b>371.71</b>
<b>Current (at amortised cost)</b>		
<b><u>Secured</u></b>		
<b>a. Loans repayable on demand from banks</b>		
(i) Working capital demand loans	205.57	213.31
(ii) Cash credit facilities	469.20	453.40
<b>b. Working capital facility - Channel finance</b>		
(i) From non-banking financial companies	118.35	106.89
<b><u>Unsecured</u></b>		
<b>a. Working capital facility - Channel finance</b>		
(i) From non-banking financial companies	138.26	155.15
(ii) Through TReDs platform	868.83	431.19
<b>b. Repayable on demand</b>		
(i) From related parties	11.82	1.40
(ii) From others	2.21	-
Add: Current maturities of long-term borrowings	413.98	117.54
<b>Total current borrowings</b>	<b>2,228.22</b>	<b>1,478.88</b>

Refer Note 36 for fair value measurements and Note 37 for information about the Company's exposure to financial risks.



Ardee Engineering Limited  
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Notes forming part of Standalone Financial Statements  
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17.1 Summary of borrowing terms:

The repayment terms and maturity terms of borrowings as stated below

Non current borrowings					
Particulars	Rate of interest (%)	Number of equal Instalments	Maturity year	As at March 31, 2025	As at March 31, 2024
<b>Secured</b>					
<b>a. Term loans</b>					
<b>(i) From banks (Refer Note 1 below)</b>					
HDFC Bank Limited	9.00%	21 to 69 months	January 2025 to April 2027	26.24	43.77
ICICI Bank Limited	10.00%	84-114 months	October 2031 to October 2033	294.63	145.96
<b>(ii) From non-banking financial companies (Refer Note 2 below)</b>					
Tata Capital Financial Services Limited	11.00%	60 months	August 2028	21.38	28.19
Aditya Birla Capital Limited	12.50%	72 months	February 2031	343.16	-
<b>b. Vehicle and Equipment Loans (Refer Note 3 below)</b>					
<b>(i) From banks</b>					
HDFC Bank Limited	8.55% to 10.25%	12 to 39 months	November 2023 to February 2028	62.05	67.57
Yes Bank Limited	9.09% to 11.12%	36 to 46 months	May 2025 to February 2028	34.24	33.96
Axis Bank Limited	10.10%	35 months	October 2027 to November 2027	37.22	-
<b>(ii) From non-banking financial companies</b>					
Sundaram Finance Limited	11.25% to 12.48%	23 to 60 months	December 2026 to July 2028	25.69	25.57
Toyota Financial Services Private	6.99%	36 months	December 2026	-	7.39
<b>c. Business loan- Equipment refinance (Refer Note 11 below)</b>					
Yes Bank Limited	11.00%	37 months	January 2028	18.71	18.69
<b>d. Redeemable non-convertible debentures (Refer Note 10 below)</b>					
RevX Capital	15.25%	12 months and 1 day	March 2026	147.37	-
<b>Unsecured</b>					
<b>a. Term loans from NBFC</b>					
Tata Capital Financial Services Limited	11.25% to 11.80%	36 months	May 2026 to July 2026	8.55	15.22
IKF Finance Limited (Refer Note 2 below)	17.00%	36 months	January 2028	252.57	-
<b>b. Working capital - Business Loans</b>					
<b>(i) From banks</b>					
Axis Bank Limited	16.00%	36 months	February 2025	-	1.51
HDFC Bank Limited	15.00%	36 months	March 2025	-	2.88
Unity Small finance Bank limited	17.50%	36 months	March 2025	-	1.96
IDFC First Bank (Capital First Limited)	9.25% to 17.50%	36 to 48 months	December 2022 to August 2024	-	0.20
<b>(ii) From non-banking financial companies</b>					
Oxyzo financial services Private Limited	14.50%	18 months	October 2023 to March 2026	45.67	32.66
Other NBFCs	11.25% to 19.00%	18 to 48 months	December 2021 to March 2025	-	4.23
<b>c. Loan from others- (Refer note 8 below)</b>					
Inter-corporate loan*(EIR- 9.5%)	6.00% *	36 months	April 2025 to March 2027	-	59.49
Less: Current maturities of long-term borrowings				(413.98)	(117.54)
<b>Total</b>				<b>903.50</b>	<b>371.71</b>



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**Ardee Engineering Limited**

(formerly known as Ardee Engineering Private Limited)

(CIN: U29100TG2020PLC141953)

**Notes forming part of Standalone Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**Current borrowings****Particulars****As at March 31, 2025 As at March 31, 2024****Secured****a. Loans repayable on demand from banks****(i) Working Capital Demand Loan (WC DL) (Refer Note 1 below)**

WC DL from HDFC Bank Limited

205.57

213.31

**(ii) Cash Credit (Refer Note 1 and 4 below)**

HDFC Bank Limited

99.39

116.34

ICICI Bank Limited

56.58

37.77

State Bank of India

313.23

299.29

**b. Working capital - Channel Finance (Refer Note 5 below)**

Tata Capital Financial Services Limited

118.35

106.89

**Unsecured****a. Working capital - Channel Finance- (Refer Note 6 below)****(i) From non-banking financial companies**

Aditya Birla Capital Limited

28.33

54.97

Oxyzo Financial Services Private Limited

109.93

100.18

**(ii) Through TredS platform**

Receivables Exchange of India Limited

653.98

293.36

A TREDS Limited

214.85

137.83

**b. Repayable on demand**

From related parties- (Refer note 7 below)

11.82

1.40

From others - (Refer note 8 below)

2.21

-

**Add: Current maturities of long-term borrowings**

413.98

117.54

**Total****2,228.22****1,478.88***This space is intentionally left blank*

**Ardee Engineering Limited**

(formerly known as Ardee Engineering Private Limited)

(CIN: U29100TG2020PLC141953)

**Notes forming part of Standalone Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**Notes:****1. Term Loan/Working Capital Demand Loan/Cash Credit****(i) Term Loan/Working Capital Demand Loan/Cash Credit from HDFC Bank Limited**

- (a) Primary Security: Current Assets (Stock, Book Debtors), Plant & Machinery, Fixed deposit for Letter of credit, Bank guarantee, personal guarantee from directors and relative of directors.
- (b) Collateral Security: One Immovable property owned by relative of director and additional three immovable properties given as co-collateral along with ICICI Bank Limited owned by Directors of the Company.
- (c) Working capital demand loan and cash credit carry interest rate of 9.35% p.a. each and repayable on demand and the tenure ranging upto 365 days.
- (d) Personal guarantee has been provided by directors and relatives of directors of the company.

**(ii) Term Loan/Cash Credit from ICICI Bank Limited**

- (a) Exclusive charge on movable fixed assets, Company's immovable property located at Visakhapatnam, Andhra Pradesh, India and first pari passu on current assets and
- (b) Collateral Security: Three immovable properties given as co-collateral along with HDFC Bank Limited owned by Directors of the Company.
- (c) Cash credit facility carry interest at repo rate 6.50% plus spread of 3.25% p.a. and repayable on demand and the tenure ranging upto 365 days.
- (d) Personal guarantee has been provided by directors and relatives of directors of the company.

**2. Term loan from NBFC- (Secured)**

- (i) Tata Capital loan is secured under the mortgage of Industrial property situated at IDA Patancheru, Sangareddy District, Telangana.
- (ii) Aditya Birla Capital Finance Limited Loan
- (a) Primary Security: Mortgage of Land and building to be constructed on the land located in Seetharampur, Hyderabad.
- Exclusive charge created by way of hypothecation on moveable fixed assets of the company. Current Assets hypothecated as second pari passu charge.
- (b) Personal guarantee has been provided by directors of the company.
- (c) Equity Shares of promoter Mr. Chandra Sekhar Moturu are pledged for the loan facility.

**Unsecured Term loan from NBFC**

- (iii) JKF Finance Limited: Loan is secured under the collateral of the following:
- (a) Three properties owned by relative of directors of the company.
- (b) Personal guarantee has been provided by directors of the company.

**3. Vehicle and Equipment loan from Bank and NBFC (Secured):**

Security provided for the vehicle and equipment loans are the underlying assets for which loan has been obtained. First and exclusive charge through hypothecation on the assets purchased from loan proceeds.

**4. Credit facility from SBI Bank (Secured)**

- (i) First pari passu charge on stock and receivables
- (ii) Collateral security on equitable mortgage of industrial land with sheds constructed thereon at Pashamylaram, Sangareddy.
- (iii) Interest rate of 10.14% p.a. and repayable on demand and the tenure ranging upto 365 days.
- (iv) Personal guarantee has been provided by directors of the company.

**5. Working Capital/Channel Finance (Secured):**

- (i) Primary charge on stocks and receivables funded out of Tata Capital Financial Services Limited. Collateral - Security on liquid funds i.e. mutual funds.
- (ii) Tata Capital loan is secured under the mortgage of Industrial property situated at IDA Patancheru, Sangareddy District, Telangana
- (iii) Personal guarantee has been provided by directors of the company.

**6. Facility through TreDs platform / other NBFCs:**

Interest ranging from 9.50% p.a. to 14.50% p.a., with a credit period ranging from 45 to 120 days.

**7. Loan from related parties**

Interest free loan from related parties are repayable on demand.

**8. Inter Corporate loan**

Inter Corporate loan are obtained at the rate of interest of 6.00% per annum for a period extending upto 3 years and repayable along with interest. Interest is repayable as and when demanded by the lender.

**9. Non-fund facilities from HDFC Bank Limited/ICICI Bank Limited/State Bank of India**

- (i) The tenure of bank guarantees typically ranges from 3 months to 36 months, while the maximum tenor for letter of credit upto 180 days.
- (ii) Commissions on bank guarantees typically ranges from 0.75% p.a. to 2.75% p.a., while commissions for letters of credit ranges from 0.70% p.a. to 1.40% p.a.

**10. Non convertible redeemable debentures**

The tenure of the Debenture are 12 months and 1 days from the date of disbursement i.e., March 01, 2026 and carry fixed rate of interest at 15.25% p.a.

The debentures are secured as follows:

- (i) Total Security 1.10- times debentures Subscription Amount.
- (ii) Secondary ranking, charge on all existing and future cashflows of the issuer, existing and future fixed and current assets, other assets, including but not limited to inventory (if any), receivables, rental deposits, intangible assets including brand and intellectual property, uncalled share capital etc of the company.
- (iii) Personal guarantee provided by directors of the company.

**11. Business loan- Equipment refinance**

Security provided for the business loans obtained through refinance of equipments are the underlying assets for which loan has been obtained. First and exclusive charge through hypothecation on the assets.

12. The Company has not defaulted on working capital loan or any other loan payables.

**13. Utilisation of borrowings availed from banks and financial institutions**

The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such borrowings were taken.

**14. Details of borrowings guaranteed by Directors and others:**

Particulars	As at March 31, 2025	As at March 31, 2024
Directors	1,312.94	721.08
Directors and Relative of Directors	682.44	440.81



**Ardee Engineering Limited**

(formerly known as Ardee Engineering Private Limited)

(CIN: U29100TG2020PLC141953)

**Notes forming part of Standalone Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**17.2 Reconciliation of movements of liabilities to cash flows arising from financing activities**

Particulars	Borrowings		Lease liabilities		Total
	Non-current	Current	Non-current	Current	
<b>As at March 31, 2023</b>	<b>154.81</b>	<b>878.11</b>	<b>12.95</b>	<b>9.32</b>	<b>1,055.19</b>
<b>Cash flows:</b>					
Principal paid on lease liabilities	-	-	-	(9.47)	(9.47)
Interest paid on lease liabilities	-	-	-	(2.32)	(2.32)
Proceeds from long term borrowings	403.51	-	-	-	403.51
Repayment of long term borrowings	(71.26)	-	-	-	(71.26)
Proceeds from short term borrowings, net	-	479.72	-	-	479.72
Interest paid on borrowings	(31.21)	(105.45)	-	-	(136.66)
<b>Non-cash flows:</b>					
Movement from non-current to current	(117.54)	117.54	(11.67)	11.67	-
New leases	-	-	8.98	-	8.98
Interest expense during the year	33.40	108.96	-	2.32	144.68
<b>As at March 31, 2024</b>	<b>371.71</b>	<b>1,478.88</b>	<b>10.26</b>	<b>11.52</b>	<b>1,872.37</b>
<b>Cash flows:</b>					
Principal paid on lease liabilities	-	-	-	(12.22)	(12.22)
Interest paid on lease liabilities	-	-	-	(2.32)	(2.32)
Proceeds from long term borrowings	1,070.21	-	-	-	1,070.21
Repayment of long term borrowings	(124.44)	(117.54)	-	-	(241.98)
Proceeds from short term borrowings, net	-	452.90	-	-	452.90
Interest paid on borrowings	(78.78)	(176.15)	-	-	(254.93)
<b>Non-cash flows:</b>					
Movement from non-current to current	(413.98)	413.98	(15.80)	15.80	-
New leases	-	-	33.65	-	33.65
Interest expense during the year	78.78	176.15	-	2.32	257.25
<b>As at March 31, 2025</b>	<b>903.50</b>	<b>2,228.22</b>	<b>28.11</b>	<b>15.10</b>	<b>3,174.93</b>

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18 Trade payables

	As at March 31, 2025	As at March 31, 2024
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (MSME)*	258.24	1,028.37
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,896.83	670.00
<b>Total trade payables</b>	<b>2,155.07</b>	<b>1,698.37</b>

Notes:

Amounts due to related parties out of the above trade payable (refer note 35)

Refer Note 37 for information about the Company's exposure to financial risks

Trade payables are non-interest bearing and are normally settled within 0 to 90 days.

\*Includes Interest on delayed payment to MSMEs amounting to Rs. 1.03 Mn for the FY 2024-25 (FY 2023-24: NIL)

18.1 Trade payables ageing schedule

March 31, 2025						
Particulars	Payables Not Due	Outstanding for following periods from due date of Payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	200.77	57.44	0.03	-	-	258.24
(ii) Disputed dues – MSME	-	-	-	-	-	-
(iii) Others	1,330.36	528.52	28.65	8.45	0.85	1,896.83
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>1,531.13</b>	<b>585.96</b>	<b>28.68</b>	<b>8.45</b>	<b>0.85</b>	<b>2,155.07</b>

March 31, 2024						
Particulars	Payables Not Due	Outstanding for following periods from due date of Payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	976.46	51.91	-	-	-	1,028.37
(ii) Disputed dues – MSME	-	-	-	-	-	-
(iii) Others	494.25	112.13	39.49	23.36	0.77	670.00
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>1,470.71</b>	<b>164.04</b>	<b>39.49</b>	<b>23.36</b>	<b>0.77</b>	<b>1,698.37</b>

18.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006: The following are amounts due to micro and small enterprises as defined in the '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. The disclosures are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Principal amount remaining unpaid to any supplier at the end of year*	257.21	1,028.37
(ii) Interest due thereon remaining unpaid to any supplier at the end of year	1.03	-
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v) Interest paid to suppliers under MSMED Act (Section 16)	-	-
(vi) Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
(vii) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii)+(vi)	1.03	-

\* includes payables not due



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**Ardee Engineering Limited**

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(CIN: U29100TG2020PLC141953)

**Notes forming part of Standalone Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**19 Other financial liabilities**

	As at March 31, 2025	As at March 31, 2024
<b>Current</b>		
Employee dues (refer Note 35)	27.43	21.56
Retention money	0.04	56.42
Payables on purchase of property, plant and equipment	0.66	-
	<b>28.13</b>	<b>77.98</b>

**20 Other current liabilities**

	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	13.66	20.76
Advance from customers	320.02	59.14
Liability towards Corporate social responsibility (refer Note 32)	1.86	-
	<b>335.54</b>	<b>79.90</b>

**21 Provisions**

	As at March 31, 2025	As at March 31, 2024
<b>Non-current</b>		
Employee benefit obligation (refer Note 33)		
Provision for gratuity	17.30	13.03
	<b>17.30</b>	<b>13.03</b>
<b>Current</b>		
Employee benefit obligation (refer Note 33)		
Provision for gratuity	2.41	1.91
	<b>2.41</b>	<b>1.91</b>

**22 Income tax (assets) / liabilities, net**

	As at March 31, 2025	As at March 31, 2024
Provision for taxes	179.81	108.64
Less: Advance tax / TDS (net of refund)	(158.11)	(103.67)
	<b>21.70</b>	<b>4.97</b>

Refer Note 31 for tax expense details.

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**Ardee Engineering Limited**

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**Notes forming part of Standalone Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

<b>23</b>	<b>Revenue from operations</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	Revenue from contract with customers	7,767.20	6,205.07
	Other operating revenue		
	Scrap sale	21.83	4.83
		<b>7,789.03</b>	<b>6,209.90</b>
<b>23.1</b>	<b>Disaggregated revenue information</b>		
	In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major revenue streams and timing of revenue recognition.		
		<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	<b>Primary geographical market</b>		
	In India	7,789.03	6,209.90
	Outside India	-	-
		<b>7,789.03</b>	<b>6,209.90</b>
	<b>Major revenue streams</b>		
	Pre-engineered building	3,948.16	3,111.75
	Material handling systems	2,414.77	1,221.21
	Engineering Services	1,404.27	1,872.11
	Other	21.83	4.83
		<b>7,789.03</b>	<b>6,209.90</b>
	<b>Timing of revenue recognition</b>		
	At a point in time	21.83	4.83
	Over time	7,767.20	6,205.07
		<b>7,789.03</b>	<b>6,209.90</b>
<b>23.2</b>	<b>Information about major customers (from external customers)</b>		
	For the year ended March 31, 2025 the Company has derived revenue from 3 customers totalling to Rs. 3,822.88 Mn (For the year ended March 31, 2024- 3 customers totalling to Rs. 3,370.57 Mn) contributing individually 10% or more of the total revenue.		
<b>23.3</b>	<b>Contract balances</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
	Trade receivables (refer Note 12)	2,358.77	1,558.63
	Contract assets (refer Note 9)	898.78	1,005.74
	Contract liabilities (refer Note 20)	320.02	59.14
<b>24</b>	<b>Other income</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	Interest income earned on financial assets		
	- Bank deposits	19.17	8.97
	- Other interest income	0.18	0.12
	Net gain on financial assets designated on FVTPL	0.67	0.46
	Liabilities no longer required written back	17.79	8.92
	Gain on sale of property, plant and equipment	0.24	-
	Miscellaneous income	0.06	-
		<b>38.11</b>	<b>18.47</b>
<b>25</b>	<b>Cost of materials consumed</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	Inventory at the beginning of the year	329.21	102.87
	Add: Purchases	5,600.39	4,306.82
	Less: Inventory at the end of the year	(1,043.19)	(329.21)
		<b>4,886.41</b>	<b>4,080.48</b>
<b>26</b>	<b>Changes in inventories of work-in-progress</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	Inventories at the beginning of the year		
	Work-in-progress	330.45	335.52
	Scrap	1.92	1.77
	Inventories at the ending of the year		
	Work-in-progress	(90.38)	(330.45)
	Scrap	(50.31)	(1.92)
	<b>Net decrease/ (increase)</b>	<b>191.68</b>	<b>4.92</b>



**Ardee Engineering Limited**  
(formerly known as Ardee Engineering Private Limited)  
(CIN: U29100TG2020PLC141953)  
**Notes forming part of Standalone Financial Statements**  
(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

<b>27</b>	<b>Employee benefits expense</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	Salaries, wages and bonus	309.60	232.56
	Contribution to provident and other funds (refer Note 33)	16.06	12.65
	Gratuity (refer Note 33)	7.12	5.27
	Staff welfare expenses	19.50	22.08
		<b>352.28</b>	<b>272.56</b>
<b>28</b>	<b>Finance costs</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	Interest expense on		
	Borrowings measured at amortised cost	254.93	144.13
	Lease liabilities	2.32	2.32
	Income tax	2.55	3.07
	Other borrowing costs	12.16	6.49
		<b>271.96</b>	<b>156.01</b>
<b>29</b>	<b>Depreciation and amortisation expense</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	Depreciation on property, plant and equipment (refer Note 5)	47.80	25.80
	Depreciation on right-of-use assets (refer Note 6)	12.29	9.83
	Amortisation of intangible assets (refer Note 7)	0.45	0.22
		<b>60.54</b>	<b>35.85</b>
<b>30</b>	<b>Other expenses</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	Job work, installation and erection charges	558.62	546.91
	Labour charges	269.67	295.84
	Freight charges	108.76	120.16
	Rent	157.32	105.23
	Loading and unloading Charges	2.83	4.03
	Material testing charges	10.83	2.17
	Sand blasting charges	9.36	11.27
	Site civil works	45.27	29.27
	Security charges	11.39	7.18
	Stores and spares consumption	1.94	5.08
	Power and fuel	66.06	24.93
	Transportation charges	5.32	6.70
	Repair and maintenance	20.80	19.75
	Legal and professional charges	7.80	8.70
	Travelling and conveyance expenses	8.93	7.24
	Bank charges	1.37	5.52
	Auditor's remuneration (Refer below)	3.85	3.85
	Rates and taxes	16.75	10.92
	Expenditure for corporate social responsibility (Refer note 32)	4.56	2.18
	Provision for credit impaired trade receivables	45.55	24.07
	Advances impaired written off	19.16	-
	Miscellaneous expenses	22.14	24.33
		<b>1,398.28</b>	<b>1,265.33</b>
<b>30.1</b>	<b>Auditor's remuneration</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	Statutory audit	2.75	2.75
	Tax audit	0.10	0.10
	Other services*	13.74	1.00
		<b>16.59</b>	<b>3.85</b>

Note: Amount given above excluding Goods and Service tax.

\* for the year ended March 31, 2025 included in Share issue expenses receivable under note 10



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31 Tax expense

(A) Income tax expense recognised in the Statement of profit and loss:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Current tax:</b>		
Current tax for the year	179.68	101.20
Adjustment of income tax relating to earlier years (net)	-	16.12
<b>Deferred tax:</b>		
Deferred tax for the year	(9.97)	6.26
<b>Income tax expense recognised in the statement of profit or loss</b>	<b>169.71</b>	<b>123.58</b>

(B) Income tax expense charged to other comprehensive income (OCI):

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Income tax impact on re-measurement of defined benefit plans	(0.13)	(0.25)
<b>Income tax charged to OCI</b>	<b>(0.13)</b>	<b>(0.25)</b>

(C) Reconciliation of effective tax rate

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax	665.99	413.22
Tax rate applicable to the Company	25.17%	25.17%
<b>Estimated tax expense on profit</b>	<b>167.62</b>	<b>104.00</b>
Adjustment of income tax relating to earlier years (net)	-	16.12
Tax effect of expenditure disallowed under income tax	3.28	3.08
Others	(1.19)	0.38
<b>Income tax expense</b>	<b>169.71</b>	<b>123.58</b>

(D) Movement in deferred tax assets and deferred tax liabilities from March 31, 2024 to March 31, 2025:

Particulars	As at March 31, 2024	Credit/ (charge) in the Statement of Profit and Loss	Credit/ (charge) in OCI	As at March 31, 2025
Property, plant and equipment and intangible assets	(10.41)	(6.18)	-	(16.59)
Right-of-use assets	(4.90)	(5.55)	-	(10.45)
Provision for credit impaired trade receivables	35.52	10.37	-	45.89
Provision for employee benefits	3.76	1.20	-	4.96
Lease liabilities	5.48	5.53	(0.13)	10.88
Others	(0.56)	4.60	-	4.04
<b>Deferred tax assets (net)</b>	<b>28.89</b>	<b>9.97</b>	<b>(0.13)</b>	<b>38.73</b>

Movement in deferred tax assets and deferred tax liabilities from March 31, 2023 to March 31, 2024:

Particulars	As at April 1, 2023	Credit/ (charge) in the Statement of Profit and Loss	Credit/ (charge) in OCI	As at March 31, 2024
Property, plant and equipment and intangible assets	(4.84)	(5.58)	-	(10.41)
Right-of-use assets	(5.04)	0.14	-	(4.90)
Provision for credit impaired trade receivables	37.58	(2.06)	-	35.52
Provision for employee benefits	2.92	1.09	(0.25)	3.76
Lease liabilities	5.60	(0.12)	-	5.48
Others	(0.81)	0.25	-	(0.56)
<b>Deferred tax assets (net)</b>	<b>35.41</b>	<b>(6.26)</b>	<b>(0.25)</b>	<b>28.89</b>



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- 32 As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The focus areas of Company's CSR activities are eradication of hunger and malnutrition, promoting education, measures for reducing inequalities faced by socially and economically backward groups and PM relief fund. The CSR activities of the Company are in line with the specified in Schedule VII of the Companies Act, 2013.

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Gross amount required to be spent by the Company during the year	4.56	2.18
(b) Amount of expenditure incurred during the year		
(i) Construction/ acquisition of any asset		
-In cash	-	-
-Yet to be paid in cash	-	-
(ii) On purposes other than (i) above		
-In cash	2.70	2.31
-Yet to be paid in cash	1.86	-
(c) Details of spent/unspent obligations		
(i) Contribution to charitable trust or PM relief fund	2.70	2.31
(ii) Unspent amount in relation to:		
-Ongoing project	1.51	-
-Other than ongoing project	0.35	-

**Details of ongoing and other than ongoing project**

For the FY 2024-25

In case of Section 135(5) of the Companies Act, 2013 (Ongoing project)

Amount of shortfall as at April 01, 2024		Amount required to be spent during the year	Amount spent during the year		Amount of shortfall as at March 31, 2025
With Company	In separate CSR unspent account		From Company's bank account	from separate CSR unspent account	With Company*
-	-	1.51	-	-	1.51

\*The Company has deposited the above shortfall of CSR expenditure amounting to Rs. 1.51 Mn to a separate account called "Unspent CSR account" dated April 29, 2025 to be spent as per the provisions of the Act.

In case of Section 135(5) of the Companies Act, 2013 (Other than ongoing project)

Opening balance as at April 01, 2024	Amount deposited In specified fund of schedule VII withing 6	Amount required to be spent during the year	Amount spent during the year	Closing balance as at March 31, 2025	Remarks
-	-	3.05	2.70	0.35	The Closing balance as at March 31, 2025 amounting to Rs. 0.35 is deposited in PM CARES Fund on August 11, 2025.

For the FY 2023-24

**Details of ongoing and other than ongoing project**

In case of Section 135(5) of the Companies Act, 2013 (Ongoing project)

Amount of shortfall as at April 01, 2023		Amount required to be spent during the year	Amount spent during the year		Amount of shortfall as at March 31, 2024
With Company	In separate CSR unspent account		From Company's bank account	from separate CSR unspent account	With Company
-	-	-	-	-	-

In case of Section 135(5) of the Companies Act, 2013 (Other than ongoing project)

Opening balance as at April 01, 2023	Amount deposited In specified fund of schedule VII withing 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance as at March 31, 2024	Remarks
0.13	0.13	2.18	2.18	-	



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**33 Employee benefit obligations**

**33.1 Post retirement benefit - Defined contribution**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and employee state insurance which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The Company has recognised as an expense aggregating for the year ending March 31, 2025: Rs 16.06 Mn; (March 31, 2024: Rs 12.65 Mn) in respect of the defined contribution plans.

**33.2 Post-employment benefit - Defined benefit**

**(a) Gratuity (unfunded)**

**Particulars**

	Net defined benefit liability - Gratuity plan		
	Non-current	Current	Total
As at March 31, 2025	17.30	2.41	19.71
As at March 31, 2024	13.03	1.91	14.94

(b) The Company has a defined benefit gratuity plan in India (Gratuity plan). The Gratuity plan is a final salary plan for India employees, which requires contributions to be made to a separately administered fund. The Gratuity plan is governed by the Payment of Gratuity Act, 1972. Under this Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The plan was unfunded.

The plans are exposed to a number of risks, including:

- Interest rate risk: decreases/increases in the Discount rate used will Increase/decrease the defined benefit obligation
- Attrition risk: Changes in the estimation of mortality rates of Current and former employees.
- Salary risk: increases in future salaries Increase the gross defined benefit obligation.

Gratuity cost for the year ended March 31, 2025- Rs. 7.12 Mn (March 31, 2024- Rs. 5.27 Mn) has been included in Note 27 under employee benefits expense. The Company's gratuity plan is unfunded.

(c) Amount recognised in statement of profit and loss in respect of these defined benefit i.e. Gratuity plans are as follows:

	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	6.11	4.44
Interest cost	1.01	0.83
<b>Components of defined benefit costs recognised in statement of profit and loss</b>	<b>7.12</b>	<b>5.27</b>
<b>Remeasurement loss/(gain):</b>		
Actuarial loss / (gain) arising from:		
Changes in demographic assumptions	(2.29)	0.53
Changes in financial assumptions	3.35	0.40
Experience adjustments	(1.57)	(1.93)
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(0.51)</b>	<b>(1.00)</b>
<b>Balance as at the end of the year</b>	<b>6.61</b>	<b>4.27</b>

**(d) Reconciliation of net defined benefit obligation**

	Year ended March 31, 2025	Year ended March 31, 2024
<b>Balance as at the beginning of the year</b>	<b>14.94</b>	<b>11.60</b>
Current service cost	6.11	4.44
Interest cost	1.01	0.83
<b>Included in profit and loss (refer note 27)</b>	<b>7.12</b>	<b>5.27</b>
<b>Remeasurement loss/(gain):</b>		
Actuarial loss / (gain) arising from:		
Changes in demographic assumptions	(2.29)	0.53
Changes in financial assumptions	3.35	0.40
Experience adjustments	(1.57)	(1.93)
<b>Included in OCI</b>	<b>(0.51)</b>	<b>(1.00)</b>
Benefits paid	(1.83)	(0.93)
<b>Other movements</b>	<b>(1.83)</b>	<b>(0.93)</b>
<b>Balance as at the end of the year</b>	<b>19.71</b>	<b>14.94</b>

**(e) Actuarial assumptions**

The principal actuarial assumptions used in determining the present value of the defined benefit obligations include:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Discount rate	7.02%	7.24%
Future salary growth	10.00%	8.00%
Attrition rate	10.00%	6.00%
Retirement age	60 years	60 years
Mortality rates	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)

The weighted-average duration of the defined benefit obligation as at March 31, 2025 is 10 years (March 31, 2024- 11 years) for gratuity plan.



(f) **Maturity analysis**

The expected maturity analysis of undiscounted gratuity obligations are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Within 1 year	2.47	1.96
2 to 5 years	5.52	3.51
6 to 10 years	8.76	6.08
> 10 years	26.93	27.28
<b>Total</b>	<b>43.68</b>	<b>38.83</b>

(g) **Sensitivity analysis**

The impact to the value of the defined benefit obligation of a reasonably possible change to one actuarial assumption, holding all other assumption constant, is presented in the table below. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method has been applied as when calculating the defined benefit liability recognised in the balance sheet.

**Defined benefit obligation**

Actuarial assumptions	Discount rate		Future salary growth	
Reasonably possible change	(+ 1%)	(- 1%)	(+ 1%)	(- 1%)
	Increase	Decrease	Increase	Decrease
As at March 31, 2025	18.11	21.58	21.53	18.08
As at March 31, 2024	13.55	16.57	16.56	13.52

Actuarial assumptions	Attrition rate		Future mortality rates	
Reasonably possible change	(+ 1%)	(- 1%)	(+ 1%)	(- 1%)
	Increase	Decrease	Increase	Decrease
As at March 31, 2025	19.27	20.19	19.70	19.72
As at March 31, 2024	14.75	15.13	14.93	14.93

34 **Earnings per share**

The following reflects the income and share data used in the basic and diluted earnings per equity share computations:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit after tax	496.28	289.64
Weighted average number of equity shares	4,00,00,000	3,80,21,918
Face value per share (Rs.)	5.00	5.00
<b>Basic and Diluted earnings per equity share</b>	<b>12.41</b>	<b>7.62</b>

**Notes:**

1. Pursuant to sub-division of equity shares [Refer note 15 for details] the Basic and Diluted earnings per equity share presented are calculated reflecting such changes in the number of shares after considering the effect of sub-division on the outstanding numbers of equity shares for the current and previous years.

2. No potential equity shares are outstanding as on March 31, 2025 and March 31, 2024 and there are no items giving rise to dilutive equity shares. Hence basic EPS is considered as diluted EPS.



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**Ardee Engineering Limited**  
(formerly known as Ardee Engineering Private Limited)  
(CIN: U29100TG2020PLC141953)  
**Notes forming part of Standalone Financial Statements**  
(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**35 Related party transactions**

Names of related parties and description of relationship as identified by the Company:	
A Nature of Relationship	Name of the Party
i) Associate	Ardee Yantrik Private Limited (w.e.f November 27, 2024) Ingwenya Mineral Tech Private Limited (w.e.f June 15, 2023)
ii) Directors/ Key Managerial Personnel	Chandra Sekhar Moturu, Chairman and Managing Director Ragdeep Moturu, Whole-time Director Sundarama Sama Gorepati, Executive Director Arundee Moturu, Executive Director (Appointed w.e.f. August 25, 2024) Krishna Kumari Moturu, Executive Director and Chief Financial Officer (Appointed w.e.f. August 25, 2024) Ravikanth Mallina, Independent Director (Appointed w.e.f August 12, 2024) Visweswara Prasad Yalamanchili, Independent Director (Appointed w.e.f August 12, 2024) Ravinder Komaragiri, Independent Director (Appointed w.e.f August 12, 2024) Srinivas Aravapalli, Independent Director (Appointed w.e.f August 12, 2024) Anjaneyulu Krothapalli, Independent Director (Appointed w.e.f September 17, 2024) Sneha Sunkara, Independent Director (Appointed w.e.f January 27, 2025) Disha Jindal, Company Secretary (Appointed w.e.f. June 05, 2024) also appointed as Compliance officer w.e.f. October 23, 2024)
iii) Entities in which Directors and Key Management Personnel ("KMP") have a significant influence / control with whom Company have made transactions during the reporting period/years	Ardee Drives Private Limited (formerly Balaji Drives Private Limited) Rotec Transmissions Private Limited Anvizen Consultants Private Limited Arun Kapital Networks Arun Computers Arun Infotech M/s ARCS Arovan Logistics ACS Engineering Solutions Blue Ocean Biotech Private Limited
Relative of Directors of Company	Krishna Kumari Moturu (Upto August 24, 2024) Arundee Moturu (Upto August 24, 2024)

**B Transactions during the year with related parties**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Purchase of Goods</b>		
Ardee Drives Private Limited (formerly Balaji Drives Private Limited)	46.73	81.83
Rotec Transmissions Private Limited	15.80	14.57
Arun Kapital Networks	3.70	379.58
Ingwenya Mineral Tech Private Limited	138.62	-
M/s ARCS	-	0.04
ACS Engineering Solutions	-	13.88
<b>Purchase of property, plant &amp; equipment and Intangible assets</b>		
Arun Computers	0.19	0.56
Arun Infotech	0.32	-
Arun Kapital Networks	0.96	-
<b>Revenue from Contracts</b>		
Ardee Drives Private Limited (formerly Balaji Drives Private Limited)	31.44	12.00
Rotec Transmissions Private Limited	80.57	40.07
Arun Kapital Networks	-	11.34
Ingwenya Mineral Tech Private Limited	-	31.78
Blue Ocean Biotech Private Limited	6.17	-
<b>Rent expense</b>		
M/s ARCS	3.47	3.29
<b>Interest Expense</b>		
Anvizen Consultants Private Limited	2.10	-





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(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Other expenses</b>		
Arun Computers	0.34	1.32
Arun Kapital Networks	9.51	-
M/s ARCS	6.56	3.94
Arovan Logistics	19.41	25.57
Arun Infotech	1.04	-
Rotec Transmissions Private Limited	3.80	-
<b>Proceeds from Borrowings_Unsecured Loan</b>		
Mr. Chandra Sekhar Moturu	41.50	143.30
Mr. Ragdeep Moturu	4.57	59.05
<b>Corporate Guarantee Given</b>		
Ardee Drives Private Limited (formerly Balaji Drives Private Limited)	52.50	-
<b>Repayments of borrowings_Unsecured Loan</b>		
Mr. Chandra Sekhar Moturu	30.29	246.22
Mr. Ragdeep Moturu	3.96	72.35
<b>Retention Money Paid</b>		
Arun Kapital Networks	56.42	-
<b>Advances from Customers</b>		
Ardee Drives Private Limited (formerly Balaji Drives Private Limited)	-	3.29



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**Notes forming part of Standalone Financial Statements**

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Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Advance to suppliers</b>		
Ardee Drives Private Limited (formerly Balaji Drives Private Limited)	0.92	-
Ingwenya Mineral Tech Private Limited	-	3.50
<b>Advance taken</b>		
Arun Kapital Networks	56.00	-
<b>Advance repaid</b>		
Arun Kapital Networks	56.00	-
<b>Staff Advance Given</b>		
Mr. Arundee Moturu	2.40	1.86
Mr. Sundararama Sarma Gorrepati	-	0.15
<b>Expenses reimbursed</b>		
Mr. Sundararama Sarma Gorrepati	0.77	-
<b>Staff Advance repaid</b>		
Mr. Arundee Moturu	7.47	-
<b>Investment in Associates</b>		
Ardee Yantrik Private Limited	0.20	-
Ingwenya Mineral Tech Private Limited	-	5.45
<b>Proceeds from issue of equity shares including securities premium</b>		
Mr. Chandra Sekhar Moturu	-	225.00
Mr. Ragdeep Moturu	-	25.00
<b>Inter corporate deposits taken</b>		
Ingwenya Mineral Tech Private Limited	50.74	-
Blue Ocean Biotech Private Limited	130.00	-
Anvizen Consultants Private Limited	100.00	-
<b>Inter corporate deposits repaid</b>		
Ingwenya Mineral Tech Private Limited	50.74	-
Blue Ocean Biotech Private Limited	130.00	-
Anvizen Consultants Private Limited	100.00	-
<b>Reimbursement of expenses</b>		
Arovan Logistics	0.86	-
ACS Engineering Solutions	0.20	-
Mr. Chandra Sekhar Moturu	0.75	-
Mr. Ragdeep Moturu	0.60	-
Mrs. Krishna Kumari Moturu	0.65	-
Ms. Disha Jindal	0.08	-
<b>Employee benefits expense</b>		
Mrs. Krishna Kumari Moturu	0.95	2.40
Mr. Arundee Moturu	0.95	2.40
<b>Managerial Remuneration (Refer note iii below)</b>		
Mr. Chandra Sekhar Moturu	3.98	3.30
Mr. Ragdeep Moturu	4.80	4.80
Mr. Sundararama Sarma Gorrepati	3.72	2.99
Mrs. Krishna Kumari Moturu	1.45	-
Mr. Arundee Moturu	1.45	-
Ms. Disha Jindal	0.91	-



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**C Amount due to/from related parties :**

Name of the related party	As at March 31, 2025	As at March 31, 2024
<b>Trade Payables</b>		
Ardee Drives Private Limited (formerly Balaji Drives Private Limited)	-	115.07
Arun Computers	1.45	1.23
Arun Kapital Networks	2.65	-
Rotec Transmissions Private Limited	3.02	-
Ingwenya Mineral Tech Private Limited	4.05	-
M/s ARCS	2.21	2.60
ACS Engineering Solutions	8.74	11.41
Arovan Logistics	1.60	2.86
<b>Investment in Associates</b>		
Ingwenya Mineral Tech Private Limited	5.45	5.45
Ardee Yantrik Private Limited	0.20	-
<b>Trade Receivables</b>		
Ardee Drives Private Limited (formerly Balaji Drives Private Limited)	3.78	-
Rotec Transmissions Private Limited	24.97	31.69
Arun Kapital Networks	-	31.28
Ingwenya Mineral Tech Private Limited	-	14.43
Blue Ocean Biotech Private Limited	0.23	-
<b>Borrowings-Unsecured loan</b>		
Mr. Chandra Sekhar Moturu	11.26	0.74
Mr. Ragdeep Moturu	0.56	0.66
<b>Managerial Remuneration Payable</b>		
Mr. Chandra Sekhar Moturu	0.68	-
Mr. Ragdeep Moturu	0.71	-
Mr. Sundararama Sarma Gorepati	0.22	-
Mrs. Krishna Kumari Moturu	0.16	-
Mr. Arundeeep Moturu	0.16	-
Ms. Disha Jindal	0.09	-
<b>Retention Money Payable</b>		
Arun Kapital Networks	-	56.42
<b>Advances received from customer</b>		
Ardee Drives Private Limited (formerly Balaji Drives Private Limited)	-	3.29
<b>Advance to suppliers</b>		
Ardee Drives Private Limited (formerly Balaji Drives Private Limited)	0.92	-
Arun Infotech	-	1.61
Ingwenya Mineral Tech Private Limited	-	3.50
<b>Reimbursement of expenses payable</b>		
Mrs. Krishna Kumari Moturu	0.65	-
Ms. Disha Jindal	0.00	-
<b>Staff Advance</b>		
Mr. Arundeeep Moturu	0.05	5.12
Mr. Sundararama Sarma Gorepati	-	0.77
<b>Share Issue Expenses Receivable</b>		
Mr. Chandta Sekhar Moturu	8.97	-
<b>Corporate Guarantee Given</b>		
Ardee Drives Private Limited (formerly Balaji Drives Private Limited)	52.50	-

**Notes :**

i. Personal guarantees were provided by Chandra Sekhar Moturu and Ragdeep Moturu towards borrowings facilities availed by the Company, where applicable. (refer Note 17.1)

ii. All the related party transactions entered during the year were in ordinary course of business and on arm length basis.

iii. Liability for gratuity on actuarial valuation basis are provided for the Company as a whole. Accordingly, amount pertaining to key managerial personnel are not included.



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**Notes forming part of Standalone Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**36 Fair value measurements****36.1 The carrying amounts of financial assets and financial liabilities by categories were as follows:**

Particulars	Notes	FVTPL	FVTOCI	Amortised cost
<b>As at March 31, 2025</b>				
<b>Financial assets</b>				
Investments*	8	8.63	-	5.65
Trade receivables	12	-	-	2,358.77
Cash and cash equivalents	13	-	-	1.54
Bank balances other than cash and cash equivalents	14	-	-	166.71
Other financial assets	9	-	-	1,066.95
<b>Total financial assets</b>		<b>8.63</b>	<b>-</b>	<b>3,599.62</b>
<b>Financial liabilities</b>				
Borrowings	17	-	-	3,131.72
Trade payables	18	-	-	2,155.07
Other financial liabilities	19	-	-	28.13
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>5,314.92</b>

\*Investments in associate are valued at cost

**As at March 31, 2024**

<b>Financial assets</b>				
Investments*	8	7.96	-	5.45
Trade receivables	12	-	-	1,558.63
Cash and cash equivalents	13	-	-	1.08
Bank balances other than cash and cash equivalents	14	-	-	242.27
Other financial assets	9	-	-	1,053.49
<b>Total financial assets</b>		<b>7.96</b>	<b>-</b>	<b>2,860.92</b>
<b>Financial liabilities</b>				
Borrowings	17	-	-	1,850.59
Trade payables	18	-	-	1,698.37
Other financial liabilities	19	-	-	77.98
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>3,626.94</b>

\*Investments in associate are valued at cost



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**36.2 Fair value hierarchy**

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices in active markets for identical items (unadjusted)

Level 2: Observable direct or indirect inputs other than Level 1 inputs

Level 3: Unobservable inputs (i.e. not derived from market data)

Particulars	Notes	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2025</b>					
<b>Financial assets measured at fair value - recurring fair value measurements</b>					
<b>At FVTPL</b>					
Investment in mutual funds	8	8.63	-	-	8.63
<b>Financial assets measured at amortised cost for which fair values are disclosed</b>					
Security deposits	9	-	-	32.42	32.42
<b>Total financial assets</b>		<b>8.63</b>	<b>-</b>	<b>32.42</b>	<b>41.05</b>
<b>Financial liabilities measured at amortised cost for which fair values are disclosed</b>					
Borrowings	17	-	-	3,131.72	3,131.72
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>3,131.72</b>	<b>3,131.72</b>
<b>As at March 31, 2024</b>					
<b>Financial assets measured at fair value - recurring fair value measurements</b>					
<b>At FVTPL</b>					
Investment in mutual funds	8	7.96	-	-	7.96
<b>Financial assets measured at amortised cost for which fair values are disclosed</b>					
Security deposits	9	-	-	9.34	9.34
<b>Total financial assets</b>		<b>7.96</b>	<b>-</b>	<b>9.34</b>	<b>17.30</b>
<b>Financial liabilities measured at amortised cost for which fair values are disclosed</b>					
Borrowings	17	-	-	1,850.59	1,850.59
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>1,850.59</b>	<b>1,850.59</b>

There have been no transfers between Level 1, Level 2 and Level 3 during the current year and previous year.

**36.3 Methods and assumptions**

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

- The fair value of borrowings is estimated by discounting the future contractual cash flows at the current market interest rates. The own non performance risk as at year end was assessed to be insignificant. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.
- The fair value of security deposits were calculated based on future cash flows using a current lending rate. These are based on discounted cash flow analysis. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.
- The Company has not disclosed the fair values of financial instruments such as trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents and trade payables, because their carrying amounts are a reasonable approximation of fair value.
- The mutual funds are valued using the closing NAV. These instruments are classified as level 1 fair values in the fair value hierarchy.



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### 37 Financial risk management

#### 37.1 General objectives, policies and processes

The Company is exposed through its operations to the following financial risks: (i) Credit risk; (ii) Market risk comprising of interest rate risk, foreign exchange risk and other price risk; and (iii) Liquidity risk.

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these consolidated financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous year unless otherwise stated in this note.

The Board has the overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

#### 37.2 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's trade receivables, security deposits, bank balances and other financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2025 and March 31, 2024 is the carrying amounts of financial assets as per Note 36.

None of the Company's cash equivalents, other bank balances and security deposits were past due or impaired as at March 31, 2025 and March 31, 2024.

##### Trade receivables and contract assets

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and location in which customers operate. The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period.

The Company makes provision of expected credit losses on trade receivables using a provision matrix. The provision matrix is based on its historical observed default rates, adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and Company makes appropriate provision wherever outstanding is for longer period and involves higher risk. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10 and 13. The Company does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment. The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

##### The movement in provision for expected credit loss for trade receivables are as follows:

Particulars	Amount
Loss allowance as at April 1, 2023	149.30
Increase in loss allowance recognised in profit or loss during the year	24.06
Less: Utilised during the year	(32.21)
Loss allowance as at March 31, 2024	141.15
Increase in loss allowance recognised in profit or loss during the year	45.55
Less: Utilised during the year	(4.37)
Loss allowance as at March 31, 2025	182.33

#### 37.3 Market risk

Market risk arises from the Company's use of interest-bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk). The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

##### (a) Interest rate risk

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

##### (i) Exposure to interest rate risk

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings with variable rate of interest	1,970.32	1,549.52
Borrowings with fixed rate of interest	1,161.40	299.67

##### (ii) Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the portion of variable interest-bearing borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on such floating rate borrowings, as follows:

Particulars	Increase/ decrease in basis points	Balance	Effect on profit before tax
March 31, 2025	+100/-100	1,970.32	19.70
March 31, 2024	+100/-100	1,549.52	15.50



**Ardee Engineering Limited**

(formerly known as Ardee Engineering Private Limited)

(CIN: U29100TG2020PLC141953)

**Notes forming part of Standalone Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**(b) Foreign exchange risk**

The Company has no foreign currency receivables or payables as on March 31, 2025 and March 31, 2024 and therefore foreign exchange risk is not applicable.

**37.4 Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due.

**a) Maturities of financial liabilities**

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

As at March 31, 2025	Note	Carrying amount	Contractual cash flows					
			Total	Up to 3 Months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Lease liabilities	6	43.21	52.35	5.04	14.54	14.23	18.54	-
Borrowings	17	3,131.72	3,139.25	2,022.50	204.47	261.49	457.82	192.97
Trade payables	18	2,155.07	2,155.07	1,531.13	623.94	-	-	-
Other financial liabilities	19	28.13	28.13	27.43	0.70	-	-	-
<b>Total</b>		<b>5,358.13</b>	<b>5,374.80</b>	<b>3,586.10</b>	<b>843.65</b>	<b>275.72</b>	<b>476.36</b>	<b>192.97</b>

As at March 31, 2024	Note	Carrying amount	Contractual cash flows					
			Total	Up to 3 Months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Lease liabilities	6	21.78	24.50	3.21	8.31	9.49	3.49	-
Borrowings	17	1,850.59	1,856.76	746.25	736.47	98.27	197.67	78.10
Trade payables	18	1,698.37	1,698.37	1,171.85	526.52	-	-	-
Other financial liabilities	19	77.98	77.98	21.56	56.42	-	-	-
<b>Total</b>		<b>3,648.72</b>	<b>3,657.61</b>	<b>1,942.87</b>	<b>1,327.72</b>	<b>107.76</b>	<b>201.16</b>	<b>78.10</b>

The interest payments on variable interest rate borrowings in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change. The future cash flows on contingent consideration may be different from the amount in the above table as the relevant conditions underlying the contingency change. Except for these financial liabilities, it is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.



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S No.	Ratio	Times/%	Formula	Particulars		Ratio as on		Change March 31, 2025 Vs March 31, 2024	Reason for change more than 25%
				Numerator	Denominator	March 31, 2025	March 31, 2024		
(a)	Current Ratio	times	Current Assets / Current Liabilities	Current Assets	Current Liabilities	1.02	1.10	-7.59%	Not major variance
(b)	Debt-Equity Ratio	times	Debt / Equity	Debt= long term borrowing + Short-term borrowings	Equity= Share capital + Reserve and Surplus	2.29	2.12	7.81%	Not major variance
(c)	Debt Service Coverage Ratio	times	Net Operating Income / Debt Service	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments	1.62	2.19	-26.05%	Variance on account of increase in interest cost were higher compared to the profitability during the year, mainly on account of increase in borrowing.
(d)	Return on Equity	%	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	Net Income= Net Profits after taxes	Average shareholder's equity	44.31	48.15	-7.98%	Not major variance
(e)	Inventory Turnover Ratio	times	Cost of Goods Sold / Average Inventory	Cost of goods sold	(Opening Inventory + Closing Inventory) / 2	5.36	7.23	-25.91%	Variance on account of increase in inventory as on March 31, 2025 compared to March 31, 2024
(f)	Trade Receivables Turnover Ratio	times	Net Credit Sales / Average Trade Receivables	Net credit sales	(Opening trade receivables + Closing trade receivable) / 2	3.98	5.18	-23.21%	Not major variance
(g)	Trade Payables Turnover Ratio	times	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables) / 2	2.91	3.44	-15.49%	Not major variance
(h)	Net Capital Turnover Ratio	times	Revenue / Working Capital	Revenue from operations	Working capital= Current assets - current liabilities	80.50	17.81	351.91%	Variance on account of increase in revenue and decrease in net working capital in FY25 compared to FY24
(i)	Net Profit	%	Net Profit / Net Sales	Net profit	Net sales	6.37	4.66	36.61%	Ratio has improved on account of increase in revenue and profit in current year.
(j)	Return on Capital Employed	%	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liability	20.84	20.91	-0.32%	Not major variance
(k)	Return on Investment	%	Investment income / Net investment	Income generated from invested funds	Average invested funds in treasury investments	11.27	3.44	227.20%	Increase on account of increase in investments in fixed deposits and interest earned on fixed deposits during FY25





**Notes forming part of Standalone Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**39 Segment information**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's chief operating decision maker (CODM) to make decisions for which discrete consolidated financial statements is available. The Company is a design, engineering and manufacturing Company which is engaged in turnkey PEB projects, material handling and processing solutions, electrical and automation solutions, heavy structural and precision engineering solutions. The CODM identified entire business as a single reportable segment, hence segment reporting is not applicable.

**40 Capital management**

The Company's objectives when maintaining capital are:

- (a) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- (b) to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company sets the amount of capital it requires in proportion to risk. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital on the basis of the net debt to equity ratio. This ratio is calculated as net debt divided by equity. Net debt is calculated as the total borrowings and lease liabilities less cash and cash equivalents and other bank balances.

The debt-to-adjusted-capital ratios were as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings and lease liabilities	3,174.93	1,872.37
Less: Cash and cash equivalents and other bank balances	(292.00)	(266.66)
<b>Net debt</b>	<b>2,882.93</b>	<b>1,605.71</b>
Equity share capital	200.00	200.00
Other equity	1,168.36	671.70
<b>Total equity</b>	<b>1,368.36</b>	<b>871.70</b>
<b>Net debt to equity ratio (times)</b>	<b>2.11</b>	<b>1.84</b>

No changes were made in the objectives, policies or processes for managing capital during the current and previous years.

**41 Contingent liabilities and commitments**

**41.1 Contingent liabilities**

- (a) There are no claims against the Company not acknowledged as debt as on March 31, 2025 and March 31, 2024.

**(b) Guarantees excluding financial guarantees**

Particulars	As at March 31, 2025	As at March 31, 2024
Corporate guarantee given to related party (Refer note 35)	52.50	-
<b>Total</b>	<b>52.50</b>	<b>-</b>

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related assets are recognised.

**41.2 Commitments - There are Capital commitments amounting to Rs. 8.00 Mn as on March 31, 2025 (March 31, 2024- NIL)**

**42 Audit Trail**

The Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the transactions recorded in the software. Further, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of the preceding year, has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the accounting software.

**43 Subsequent events**

Pursuant to approval of Board and and Shareholders vide meetings dated July 4, 2025 and July 9, 2025 respectively, the company has issued 410,000 equity Shares on preferential basis at the issue price of Rs. 425/- per equity share having Face value of Rs. 5/- per equity share (i.e. including Securities Premium at Rs. 420/- per equity share).

The management has assessed the subsequent events to the reporting period and is of the view that there are no material events which require adjustment or disclosure in the financial statements except as disclosed in financial statements.

**44 Other regulatory information**

**(i) Details of benami property held**

No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.

**(ii) Borrowings secured against current assets**

The Company has borrowings secured against current assets and statements of current assets filed by the Company with banks are in agreement with the books of accounts.



**Ardee Engineering Limited**

(formerly known as Ardee Engineering Private Limited)

(CIN: U29100TG2020PLC141953)

**Notes forming part of Standalone Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**(iii) Wilful defaulter**

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

**(iv) Relationship with struck off companies**

The Company does not have any relationship with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

**(v) Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under section 2(87) of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017.

**(vi) Undisclosed income**

The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in tax assessments under the Income-tax Act, 1961.

**(vii) Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current period or previous years.

**(viii) Registration of charges or satisfaction with ROC**

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

**(ix) Compliance with approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact in the current or previous financial

**(x) Utilisation of borrowed funds and share premium**

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- 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.

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

- 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.

**45 The Code on Social Security, 2020**

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

**46** Previous year figures have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosures.

**47** These Standalone Financial Statements were approved for Issue in accordance with a resolution of the board of directors on August 29, 2025.

As per our report of even date attached

**For C Venkat Krishna & Co**

Chartered Accountants

ICAI Firm Registration No.: 004599S

**For M S K C & Associates LLP**

(formerly known as M S K C & Associates)

Chartered Accountants

ICAI Firm Registration No.: 001595S/S000168

For and on behalf of the Board of Directors

**Ardee Engineering Limited**

(formerly known as Ardee Engineering Private Limited)

**P.V.N Sastry**

Partner

Membership No. 029098

**Tarun Kumar Jain**

Partner

Membership No. 231741

**Chandra Sekhar Moturu**

Chairman and Managing Director

DIN 02010969

**Ragdeep Moturu**

Whole-time Director

DIN 07587747



**Krishna Kumari Moturu**

Executive Director and  
Chief Financial Officer

DIN 10376709

**Disha Jindal**

Company Secretary and  
Compliance Officer

Membership No. A65058

Place: Hyderabad  
Date: August 29, 2025

Place: Hyderabad  
Date: August 29, 2025



**C. Venkat Krishna & Co**  
**Chartered Accountants**

4th Floor, Owners Pride Plot No 1717  
Road No. 12, Banjara Hills,  
Hyderabad - 500 034.

**M S K C & Associates LLP**  
**(formerly known as M S K C & Associates)**  
**Chartered Accountants**  
1101/B, Manjeera Trinity Corporate,  
JNTU-Hitech City Road, Kukatpally,  
Hyderabad- 500 072.

### **INDEPENDENT AUDITORS' REPORT**

**To the Members of Ardee Engineering Limited [Formerly known as Ardee Engineering Private Limited]**

**Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of Ardee Engineering Limited [Formerly known as Ardee Engineering Private Limited] (hereinafter referred to as the "the Company") and its associates, which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of associates, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Company and its associates as at March 31, 2025, and of consolidated profit including other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

#### **Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) & (b) of the "Other Matter" section below, is sufficient and appropriate to provide a basis for our opinion.

#### **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditors responsibilities relating to other information'.





### Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Company including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the Company and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and of its associates for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the Company and of its associates are responsible for assessing the ability of the Company and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company and of its associates are responsible for overseeing the financial reporting process of each company.

### Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

### Other Matter:

- a) The consolidated financial statements include the Company's share of net profit (including other comprehensive income) of Rs. 6.61 million for the year ended March 31, 2025, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the report of the other auditor.





- b) The consolidated financial statements include the Company's share of net loss (including other comprehensive income) of Rs (0.03) million for the period November 27, 2024, to March 31, 2025, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by M S K C & Associates LLP. These financial statements have been audited by one of the joint auditor M/s. C. Venkat Krishna & Co., whose report have been furnished to M/s M S K C & Associates LLP, by the Management and M S K C & Associates LLP opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the report of the other joint auditor.

Our opinion on the consolidated financial statements is not modified in respect of the above matters.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the associates referred to in the Other Matters section above we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion proper books of accounts as required by law relating to preparation of the aforesaid Consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors of the Company as on March 31, 2025 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate companies incorporated in India, none of the directors of the company, its associate companies incorporated in India are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. There were no pending litigations which would impact the consolidated financial position of the Company and its associates.
    - ii. The Company and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.



iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company, and its associate companies incorporated in India.

iv.

(1) The respective Managements of the Company and its associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associates respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such associates to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(2) The respective Managements of the Company and its associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associates respectively that, to the best of their knowledge and belief, no funds have been received by the Company or any of such associates from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company or any of such associates shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(3) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the associates which are companies incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the company in this regard nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The Company and its associate Companies which are incorporated in India, whose financial statements have been audited under the Act, have neither declared nor paid any dividend during the year.

vi. A. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year, has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the prior year as explained in Note 41 to the financial statements.

B. In respect of one associate, on consideration of the auditor's report issued by the other auditor, the company has used an accounting software for maintaining their books of accounts for the year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility, and the same has been enabled and operated throughout the year for all relevant transactions recorded in the accounting software. Further,





as reported by the other auditors there are no instances of audit trail feature being tampered with.

C. In respect of one associate, on consideration of the auditor's report issued by the one of the joint auditor, the company has not used any accounting software for maintaining its books of account for the period November 27, 2024, to March 31, 2025 [refer note 41 to the financial statements]. Hence, reporting under the Rule 11(g) of Companies (Audit and Auditors) Amendment Rules, 2021 read with sub-section 3 of Section 143 of the Companies Act, 2013, is not applicable to the associate company.

2. In our opinion, according to information and explanations given to us, the remuneration paid by the Company, to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder, except in case of two associates, as the provision of the aforesaid section is not applicable to private companies.
3. According to the information and explanations given to us, the details of Qualifications/adverse remarks made by us for the Company and on consideration of Companies (Auditor's Report) Order 2020 (CARO) reports issued by the respective auditors of the associates issued till the date of our audit report for the companies included in the consolidated financial statements are as follows:

Sr. No	Name of the Company	CIN	Type of Company (Holding /Subsidiary/ Associate)	Clause number of the CARO Report which is qualified or Adverse
1	Ardee Engineering Limited (formerly known as Ardee Engineering Private Limited)	U29100TG2020PLC141953	Company	Clause i(c)

For C. Venkat Krishna & Co  
Chartered Accountants  
ICAI Firm Registration Number: 045995



P.V.N Sastry  
Partner  
Membership No. 029098  
UDIN: 25029098BMIUNS4245



Place: Hyderabad  
Date: August 29, 2025

For M S K C & Associates LLP  
(Formerly known as M S K C & Associates)  
Chartered Accountants  
ICAI Firm Registration Number: 001595S/S000168



Tarun Kumar Jain  
Partner  
Membership No. 231741  
UDIN: 25231741BMLLAA7635



Place: Hyderabad  
Date: August 29, 2025

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ARDEE ENGINEERING LIMITED [ARDEE ENGINEERING PRIVATE LIMITED]**

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.
- Conclude on the appropriateness of the management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.





C. Venkat Krishna & Co  
Chartered Accountants

M S K C & Associates LLP  
[formerly known as M S K C & Associates]  
Chartered Accountants

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.

For C. Venkat Krishna & Co  
Chartered Accountants

ICAI Firm Registration Number: 045995



P.V.N Sastry  
Partner  
Membership No. 029098  
UDIN: 25029098BMIUNS4245

Place: Hyderabad  
Date: August 29, 2025



For M S K C & Associates LLP  
(Formerly known as M S K C & Associates)  
Chartered Accountants

ICAI Firm Registration Number: 001595S/S000168



Tarun Kumar Jain  
Partner  
Membership No. 231741  
UDIN: 25231741BMLLAA7635

Place: Hyderabad  
Date: August 29, 2025



**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ARDEE ENGINEERING LIMITED [FORMERLY KNOWN AS ARDEE ENGINEERING PRIVATE LIMITED]**

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Ardee Engineering Limited [formerly known as Ardee Engineering Private Limited] on the consolidated Financial Statements for the year ended March 31, 2025]

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

**Opinion**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls reference to consolidated financial statements of Ardee Engineering Limited [formerly known as Ardee Engineering Private Limited (hereinafter referred to as "the Company") which includes the internal financial controls over financial reporting of the Company.

Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to two associate companies incorporated in India namely Ingwenya Mineral Tech Private Limited & Ardee Yantrik Private Limited, pursuant to MCA notification GSR 583(E) dated 13<sup>th</sup> June 2017.

In our opinion, and to the best of our information and according to the explanations given to us, the Company have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the internal financial controls with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

**Management and Board of Director's Responsibility for Internal Financial Controls**

The respective Management and the Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.



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


#### Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

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

#### Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

For C. Venkat Krishna & Co  
Chartered Accountants  
ICAI Firm Registration Number: 045995



P.V.N Sastry  
Partner  
Membership No. 029098  
UDIN: 25029098BMIUNS4245

Place: Hyderabad  
Date: August 29, 2025



For M S K C & Associates LLP  
(Formerly known as M S K C & Associates)  
Chartered Accountants  
ICAI Firm Registration Number: 001595S/S000168



Tarun Kumar Jain  
Partner  
Membership No. 231741  
UDIN: 25231741BMLLAA7635

Place: Hyderabad  
Date: August 29, 2025





**Consolidated Balance Sheet as at March 31, 2025**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

Particulars	Note	As at March 31, 2025	As at March 31, 2024
<b>Assets</b>			
<b>Non-current assets</b>			
a) Property, plant and equipment	5	1,058.98	757.51
b) Capital work-in-progress	5A	804.01	-
c) Right-of-use assets	6	41.51	19.46
d) Intangible assets	7	1.66	1.84
e) Financial assets			
(i) Investments	8	13.64	6.86
(ii) Trade receivables	12	142.71	80.65
(iii) Other financial assets	9	125.19	24.28
f) Other assets	10	2.07	-
g) Deferred tax assets (net)	31	38.73	28.89
<b>Total non-current assets</b>		<b>2,228.50</b>	<b>919.49</b>
<b>Current assets</b>			
a) Inventories	11	1,212.28	683.53
b) Financial assets			
(i) Investments	8	8.63	7.96
(ii) Trade receivables	12	2,216.06	1,477.98
(iii) Cash and cash equivalents	13	1.54	1.08
(iv) Bank balances other than (iii) above	14	166.71	242.27
(v) Other financial assets	9	941.76	1,029.21
c) Other assets	10	335.95	260.12
<b>Total current assets</b>		<b>4,882.93</b>	<b>3,702.15</b>
<b>Total assets</b>		<b>7,111.43</b>	<b>4,621.64</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
a) Equity share capital	15	200.00	200.00
b) Other equity	16	1,176.35	673.11
<b>Total equity</b>		<b>1,376.35</b>	<b>873.11</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
a) Financial liabilities			
(i) Borrowings	17	903.50	371.71
(ii) Lease liabilities	6	28.11	10.26
b) Provisions	21	17.30	13.03
<b>Total non-current liabilities</b>		<b>948.91</b>	<b>395.00</b>
<b>Current liabilities</b>			
a) Financial liabilities			
(i) Borrowings	17	2,228.22	1,478.88
(ii) Lease liabilities	6	15.10	11.52
Total outstanding dues of micro enterprises and small enterprises	18	258.24	1,028.37
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,896.83	670.00
(iii) Other financial liabilities	19	28.13	77.98
b) Provisions	20	2.41	1.91
c) Other current liabilities	21	335.54	79.90
d) Current tax liabilities (net)	22	21.70	4.97
<b>Total current liabilities</b>		<b>4,786.17</b>	<b>3,353.53</b>
<b>Total liabilities</b>		<b>5,735.08</b>	<b>3,748.53</b>
<b>Total equity and liabilities</b>		<b>7,111.43</b>	<b>4,621.64</b>

See accompanying notes forming part of the consolidated financial statements

1-46

As per our report of even date attached

For C Venkat Krishna & Co  
Chartered Accountants

ICAI Firm Registration No.: 004599S

*[Signature]*

P.V.N Sastry  
Partner  
Membership No. 029098



Place: Hyderabad  
Date: August 29, 2025

For M S K C & Associates LLP  
(formerly known as M S K C & Associates)  
Chartered Accountants  
ICAI Firm Registration No.: 001595S/S000168

*[Signature]*  
Tarun Kumar Jain  
Partner  
Membership No. 231741



For and on behalf of the Board of Directors  
Ardee Engineering Limited  
(formerly known as Ardee Engineering Private Limited)

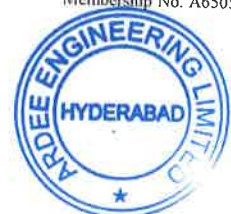
*[Signature]*  
Chandra Sekhar Moturu  
Chairman and Managing Director  
DIN 02010969

*[Signature]*  
Krishna Kumari Moturu  
Executive Director and  
Chief Financial Officer  
DIN 10376709

Place: Hyderabad  
Date: August 29, 2025

*[Signature]*  
Ragdeep Moturu  
Whole-time Director  
DIN 07587747

*[Signature]*  
Disha Jindal  
Company Secretary and  
Compliance Officer  
Membership No. A65058





Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Income</b>			
Revenue from operations	23	7,789.03	6,209.90
Other income	24	38.11	18.47
<b>Total Income (I)</b>		<b>7,827.14</b>	<b>6,228.37</b>
<b>Expenses</b>			
Cost of materials consumed	25	4,886.41	4,080.48
Changes in inventories of work-in-progress	26	191.68	4.92
Employee benefits expense	27	352.28	272.56
Finance costs	28	271.96	156.01
Depreciation and amortisation expense	29	60.54	35.85
Other expenses	30	1,398.28	1,265.33
<b>Total expenses (II)</b>		<b>7,161.15</b>	<b>5,815.15</b>
<b>Profit before share of profit from an associate and tax (I-II=III)</b>		<b>665.99</b>	<b>413.22</b>
Share of profit from associates accounted using equity method (after tax) (IV)		6.58	1.41
<b>Profit before tax (III+IV=V)</b>		<b>672.57</b>	<b>414.63</b>
<b>Tax expense</b>	31		
Current tax		179.68	101.20
Adjustment of income tax relating to earlier years (net)		-	16.12
Deferred tax		(9.97)	6.26
<b>Total tax expense (VI)</b>		<b>169.71</b>	<b>123.58</b>
<b>Profit after tax (V-VI=VII)</b>		<b>502.86</b>	<b>291.05</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit liability		0.51	1.00
Deferred tax relating to these items		(0.13)	(0.25)
<b>Total other comprehensive income, net of tax (VIII)</b>		<b>0.38</b>	<b>0.75</b>
<b>Total comprehensive income for the year (VII+VIII=IX)</b>		<b>503.24</b>	<b>291.80</b>
Earnings per equity share (Face value of Rs. 5 each)	33		
Basic (In INR)		12.57	7.65
Diluted (In INR)		12.57	7.65

See accompanying notes forming part of the consolidated financial statements 1-46

As per our report of even date attached

**For C Venkat Krishna & Co**  
Chartered Accountants  
ICAI Firm Registration No.: 004599S

**For M S K C & Associates LLP**  
(formerly known as M S K C & Associates)  
Chartered Accountants  
ICAI Firm Registration No.: 001595S/S000168

For and on behalf of the Board of Directors  
**Ardee Engineering Limited**  
(formerly known as Ardee Engineering Private Limited)

*P.V.N Sastry*

**P.V.N Sastry**  
Partner  
Membership No. 029098



*Tarun Kumar Jain*

**Tarun Kumar Jain**  
Partner  
Membership No. 231741



*Chandra Sekhar Moturu*

**Chandra Sekhar Moturu**  
Chairman and Managing Director  
DIN 02010969

*Ragdeep Moturu*

**Ragdeep Moturu**  
Whole-time Director  
DIN 07587747

*Krishna Kumari Moturu*

**Krishna Kumari Moturu**  
Executive Director and  
Chief Financial Officer  
DIN 10376709

*Disha Jindal*

**Disha Jindal**  
Company Secretary and  
Compliance Officer  
Membership No. A65058

Place: Hyderabad  
Date: August 29, 2025

Place: Hyderabad  
Date: August 29, 2025



**Ardee Engineering Limited**

(formerly known as Ardee Engineering Private Limited)

(CIN: U29100TG2020PLC141953)

**Consolidated Statement of Changes in Equity for the year ended March 31, 2025**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

A. Equity share capital	Note	Number of shares	Amount
As at April 1, 2023 (Face Value of Rs. 10 each)		1,90,00,000	190.00
Change during the year	15	10,00,000	200.00
As at March 31, 2024 (Face Value of Rs. 10 each)		2,00,00,000	390.00
Sub-division of equity shares*	15	2,00,00,000	-
As at March 31, 2025 (Face Value of Rs. 5 each)		4,00,00,000	390.00

\*Refer note 15 on Sub-division of equity shares

B. Other equity				
Particulars	Reserves and Surplus			Total
	Securities premium	Retained earnings	Debtore Redemption Reserve	Other comprehensive income Remeasurement of defined benefit obligations routed through OCI
Balance as at April 1, 2023	-	139.91	-	1.40
Profit for the year	-	291.05	-	-
Other comprehensive income, net of tax	-	-	-	0.75
Securities premium on issue of equity shares	240.00	-	-	-
Balance as at March 31, 2024	240.00	430.96	-	2.15
Profit for the year	-	502.86	-	-
Other comprehensive income, net of tax	-	-	-	0.38
Debtore Redemption reserve created	-	(15.00)	15.00	-
Balance as at March 31, 2025	240.00	918.82	15.00	2.53

See accompanying notes forming part of the consolidated financial statements

1-46

As per our report of even date attached

For C Venkat Krishna &amp; Co

Chartered Accountants

ICAI Firm Registration No.: 004599S

For M S K C &amp; Associates LLP

(formerly known as M S K C &amp; Associates)

Chartered Accountants

ICAI Firm Registration No.: 001595S/S000168

For and on behalf of the Board of Directors

Ardee Engineering Limited

(formerly known as Ardee Engineering Private Limited)

P.V.N Sastry  
Partner  
Membership No. 029098



Place: Hyderabad  
Date: August 29, 2025

Tarun Kumar Jain  
Partner  
Membership No. 231741



Chandra Sekhar Moturu  
Chairman and Managing Director  
DIN 02010969

Krishna Kumari Moturu  
Executive Director and  
Chief Financial Officer  
DIN 10376709

Place: Hyderabad  
Date: August 29, 2025

Ragdeep Moturu  
Whole-time Director  
DIN 07587747

Disha Jindal  
Company Secretary and  
Compliance Officer  
Membership No. A65058



Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>A. Cash flow from operating activities</b>		
Profit before tax	672.57	414.63
Adjustments for:		
Depreciation and amortisation expense	60.54	35.85
Interest expense on borrowings measured at amortised cost	254.93	142.37
Interest expense on lease liabilities	2.32	2.32
Interest income on security deposits	(0.18)	(0.12)
Interest income on fixed deposits	(19.17)	(8.97)
Gain on sale of Property, plant and equipment	(0.24)	-
Share of profit from an associate	(6.58)	(1.41)
Net gain on financial assets designated on FVTPL	(0.67)	(0.46)
Liabilities no longer required written back	(17.79)	(8.92)
Other borrowing costs	12.16	6.49
Provision for credit impaired trade receivables	45.55	24.07
Advance impaired written off	19.16	-
<b>Operating profit before working capital changes</b>	<b>1,022.60</b>	<b>605.85</b>
<b>Changes in working capital</b>		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(845.69)	(742.95)
Inventories	(528.75)	(236.97)
Other financial assets	87.16	(543.45)
Other assets	(29.99)	(156.54)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	431.63	901.37
Provision	5.28	4.34
Other financial liabilities	(49.85)	62.23
Other liabilities	255.64	(267.55)
<b>Cash flows from/(used in) operations</b>	<b>348.03</b>	<b>(373.67)</b>
Income tax paid (net of refund)	(162.95)	(111.45)
<b>Net cash flow from/(used in) operating activities</b>	<b>A</b>	<b>(485.13)</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets (including capital work-in-progress and capital advance)	(1,157.61)	(482.49)
Proceeds from sale of property, plant and equipment	1.58	1.80
Investment in associate	(0.20)	(5.45)
Investment in mutual funds	-	(7.50)
Movement in bank balances other than cash and cash equivalent	(24.88)	(186.73)
Interest received on fixed deposits	19.17	8.97
<b>Net cash flows (used in) investing activities</b>	<b>B</b>	<b>(1,161.40)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issuance of equity share capital including securities premium	-	250.00
Share issue expenses	(22.18)	-
Proceeds from long term borrowings	1,070.21	403.51
Repayment of long term borrowings	(241.98)	(71.26)
Proceeds from short term borrowings (net)	452.90	479.72
Interest paid on borrowings	(254.93)	(136.67)
Other borrowing costs	(12.16)	(6.49)
Payment towards principal portion of lease liability	(12.22)	(9.47)
Interest paid on lease liabilities	(2.32)	(2.32)
<b>Net cash flows generated from financing activities</b>	<b>C</b>	<b>907.02</b>
<b>Net Increase/(decrease) in cash and cash equivalents</b>	<b>A+B+C</b>	<b>(249.51)</b>
Cash and cash equivalents at the beginning of the year	1.08	250.59
<b>Cash and cash equivalents at the end of the year (Refer Note 13)</b>	<b>1.54</b>	<b>1.08</b>

See accompanying notes forming part of the consolidated financial statements

1-46

As per our report of even date attached  
For C Venkat Krishna & Co  
Chartered Accountants  
ICAI Firm Registration No.: 004599S

For M S K C & Associates LLP  
(formerly known as M S K C & Associates)  
Chartered Accountants  
ICAI Firm Registration No.: 001595S/S000168

For and on behalf of the Board of Directors  
Ardee Engineering Limited  
(formerly known as Ardee Engineering Private Limited)

*P. V. N. Sastry*

P. V. N. Sastry  
Partner  
Membership No. 029098



Place: Hyderabad  
Date: August 29, 2025

*Tarun Kumar Jain*  
Tarun Kumar Jain  
Partner  
Membership No. 231741



*Chandra Sekhar Moturu*  
Chandra Sekhar Moturu  
Chairman and Managing Director  
DIN 02010969

*Krishna Kumari Moturu*  
Krishna Kumari Moturu  
Executive Director and  
Chief Financial Officer  
DIN 10376709

Place: Hyderabad  
Date: August 29, 2025

*Ragdeep Moturu*

Ragdeep Moturu  
Whole-time Director  
DIN 07587747

*Disha Jindal*  
Disha Jindal  
Company Secretary and  
Compliance Officer  
Membership No. A65058



**1 Corporate information**

Ardee Engineering Limited (formerly known as Ardee Engineering Private Limited) ('the Company'/'Ardee') is a design, engineering and manufacturing entity formed in year 2008 as a partnership firm. On July 20, 2020, the Partnership firm was converted into private limited company under the provisions of the Companies Act, 2013. Later, the Company was converted from private limited company to public limited company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on June 5, 2024 and consequently the name of the Company was changed to Ardee Engineering Limited w.e.f August 05, 2024. The registered office is located at H. No. 8-2-334/K/1, Flat Nos. 101, 102 & 103, Aditya Court, Road No. 5, Banjara Hills, Hyderabad - 500034, Telangana, India.

The Company is engaged in turnkey PEB projects, material handling and processing solutions, electrical and automation solutions, heavy structural and precision engineering solutions. Infrastructure, Irrigation, Mining and Minerals, Ports, Power and Oil and Gas, are the major sectors where Ardee has operated in.

The consolidated financial statements comprise the financial statements of the Company and its interest in associates (refer Note 37) for the year ended March 31, 2025 and for the year ended March 31, 2024

**2 Summary of Material accounting policies**

**2.1 Basis of preparation**

**(a) Statement of compliance with Ind AS**

The consolidated financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under section 133 of the Companies Act, 2013 ("the Act"), read with Rule 3 of the Companies (Indian Accounting standards) Rules, 2015, and other relevant provisions of the Act as amended from time to time and presentation requirements of Division II of Schedule III to the Act, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**(b) Basis of measurement**

This consolidated financial statements has been prepared on accrual basis and under historical cost convention, except for the following items (refer to individual accounting policies for detail):

- i. Certain financial instruments - Fair value through profit or loss
- ii. Net defined benefit asset / (liability) - Present value of defined benefit obligations

The Company has prepared the consolidated financial information on the basis that it will continue to operate as a going concern.

**(c) Functional and presentation currency**

The consolidated financial statements presented in Indian Rupees (Rs.) which is also the functional and presentation currency of the Company. All the amounts disclosed in the consolidated financial statements which also include the accompanying notes have been rounded off to the nearest millions except for share and per share data and where otherwise stated, up to two decimal places as per the requirement of Schedule III to the Companies Act, 2013.

**(d) Use of estimates**

The preparation of consolidated financial statements in conformity with principles of Ind AS requires the management to make judgements, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

In particular, information about the significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are disclosed in note no 3.

**(e) Classification between - Current and Non-current**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

**Operating Cycle**

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has determined its operating cycle as 12 months for the purpose of its assets and liabilities as current and non-current.





## 2.2 Basis of consolidation

The consolidated financial statements presented for the reporting years include the financial statements of the Company and its share in associates accounted in accordance with the relevant Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013.

Associates are entities over which the Company exercise significant influence but does not control. Significant influence is assessed annually with reference to the voting power (usually arising from equity shareholdings and potential voting rights) and other rights (usually contractual) enjoyed by the Company in its capacity as an investor that provides it the power and consequential ability to direct the investee's activities and significantly affect the Company's returns from its investment. Such assessment requires the exercise of judgement and is disclosed by way of a note to the consolidated financial statements.

An investment in an associate is initially recognised at cost on the date of the investment, and inclusive of any goodwill/capital reserve embedded in the cost, in the Balance Sheet. The proportionate share of the associate in the net profits as also in the other comprehensive income is recognised in the Statement of Profit and Loss and the carrying value of the investment is adjusted by a like amount (referred as 'equity method').

The entities consolidated in consolidated financial statements for the year ended March 31, 2025 are listed below:

Particulars	Country of Incorporation	Relationship	Date of Incorporation or acquisition	% of effective ownership interest held (Directly/Indirectly)	
				March 31, 2025	March 31, 2024
Ardee Engineering Limited	India	Parent	July 20, 2020	-	-
Ingwenya Mineral Tech Private limited	India	Associate	February 02, 2008	21.63%	21.63%
Ardee Yantrik Private limited	India	Associate	November 27, 2024	40.00%	-

## 2.3 Property, plant and equipment

Property, plant and equipment ("PPE") are stated at cost, less accumulated depreciation and accumulated impairment loss, if any. The cost comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any expenditure directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

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

### Depreciation methods, estimated useful lives

Depreciation on property, plant and equipment is provided on a pro-rata basis on the Straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The estimated useful life, residual values and the depreciation method are reviewed at the end of each reporting period, with effect of any change in estimate accounted for on a prospective basis.

The useful life of assets are as follows:

Tangible assets	Useful life as per Schedule II	Useful life estimated by the management based on technical assessment
Buildings	30 years	15 - 30 years
Plant and machinery	15 years	3 - 15 years
Furniture and fixtures	10 years	10 years
Computers	3 years	3 years
Office equipments	5 years	5 - 10 years
Vehicles	8 years	8-15 years

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The residual values are not more than 5% of the original cost of the asset.

In case of a revision of useful lives, the unamortized depreciable amount is charged over the revised remaining useful life.

## 2.4 Intangible assets

Intangible assets acquired are reported at cost less accumulated amortisation and accumulated impairment losses, if any. The cost comprises its purchase price and directly attributable cost of preparing the asset for its intended use. Amortisation is recognised on a Straight line method basis over their estimated useful lives so as to reflect the pattern in which the assets economic benefits are consumed. The estimated useful life and the amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

The useful life of asset is as follows:

Asset	Useful lives
Software	5 years



## 2.5 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest Company of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or Group of assets (the "cash-generating unit").

## 2.6 Leases

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

### Company as a lessee:

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

### Right-of-use assets

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

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2.5 Impairment of non-financial assets.

### Lease liabilities

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

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

### Short-term leases and leases of low-value assets

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

## 2.7 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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



**Notes forming part of Consolidated Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**2.8 Inventories**

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

**i Raw materials, components and stores and spares:**

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average method. Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventories.

**ii Work-in-progress:**

Lower of cost and net realizable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a moving weighted average basis.

**iii Scrap:**

Scrap is valued at net realizable value.

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

**2.9 Revenue from contract with customers**

Revenue is recognised to the extent that it is highly probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Contract with customers include pre-engineered building, material handling and engineering contracts along with erection and installation services. All the supplies and services are considered as one performance obligation as the Company believes underlying goods and services are single performance obligation, single commercial objective or the consideration in one contract depends on another.

In respect of the contracts, revenue is recognised over a period of time using the input method (equivalent to percentage of completion method POCM) of accounting with contract costs incurred determining the degree of completion of the performance obligation.

Percentage of completion is determined on the basis of proportion of the costs of shipment made and cost of erection incurred as against the total estimated cost of shipment and erection.

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of a third party. Payment terms agreed with a customer are as per business practice, and there is no financing component involved in the transaction price.

Liquidated damages (LD) represents the expected claim which the Company may need to pay for non-fulfilment of certain commitments as per the terms of respective sales contract. These are determined on case to case basis considering the dynamics of each contract and the factors relevant to that sale.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense in the Statement of Profit and Loss in the period in which such probability occurs. Due to the uncertainties attached, the revenue on account of extra claims are accounted for at the time of acceptance / settlement by the customers.

The Company typically provides warranties for general repairs of defects that existed at the time of sale. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

**Interest income**

Interest income on investments and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss or fair value through other comprehensive income. Interest receivable on customer dues is recognised as income in the Statement of Profit and Loss on accrual basis provided there is no uncertainty of realisation.

**Contract balances**

**a. Contract Assets:**

Revenue earned but not billed to customers against contract with customers is reflected as unbilled revenue under "Other financial assets" because the receipt of consideration is conditional on Company's performance under the contract (i.e. transfer control of related goods or services to the customer). Upon completion of the installation and acceptance by the customer, the amount recognised as unbilled revenue is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to the accounting policies on impairment of financial assets in note 2.13 Financial instruments – initial recognition and subsequent measurement.

**b. Trade Receivables:**

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to the accounting policies of financial assets in note 2.13 (Financial instruments – initial recognition and subsequent measurement).

**c. Contract Liabilities:**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. These amounts are reflected as Advance from customers under "Other liabilities". Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).



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**2.10 Retirement and other employee benefits**

**Defined contribution plan**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

**Defined benefit Plan**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Company determines the net interest expense/ (income) on the net defined benefit liability/ (asset) for the period by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. This rate is applied on the net defined benefit liability/(asset), both as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Company has a defined benefit gratuity plan, governed by the Payment of Gratuity Act, 1972 which entitles an employee, who has rendered at least five years of continuous service, to gratuity payable on termination of his employment at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

**2.11 Taxes**

Tax expense for the year, comprising current tax and deferred tax, are included in determination of the net profit or loss for the year.

**Current income tax**

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**Deferred tax**

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

Deferred tax assets are recognised for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

**2.12 Provisions, contingent liabilities and contingent assets**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or is a present obligation that arises from past event but is not recognized because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognized.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each reporting date.



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**Notes forming part of Consolidated Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**2.13 Financial instruments**

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

**Financial assets**

**Initial recognition and measurement:**

All financial assets are recognised initially at fair value plus, (in the case of financial assets not recorded at fair value through statement of profit and loss) transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed off in the statement of profit & loss. Trade receivable that does not contain a significant financing component are measured at transaction price.

**Classification and subsequent measurement:**

**Debt instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition and impairment losses (if any) are recognised directly in profit or loss.

The Company's financial assets at amortised cost includes trade receivables and security deposit.

**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.

The Company has not designated any financial asset (debt instruments) at FVOCI.

**Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss.

The Company has designated investments in mutual funds (debt instruments) in this category.

**Derecognition:**

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

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

**Impairment of financial assets**

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

**Financial liabilities and equity**

An instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

**Financial liabilities**

**Initial recognition and measurement:**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

**Subsequent measurement:**

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

**Financial liabilities at fair value through profit or loss:** Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

**Financial liabilities at amortised cost:** Financial liabilities are subsequently carried at amortised cost using the effective interest method.

This category generally applies to borrowings. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**Derecognition:**

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

**Offsetting financial instruments:**

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



**2.14 Investments in the nature of equity in Associate**

Investment in associate are accounted for using the "equity method" less accumulated impairment, if any.

**2.15 Earnings Per Share**

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

The weighted average number of equity shares outstanding during the year adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**2.16 Segment Reporting**

**Identification of segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors monitors the operating results as a single segment considering activities of manufacturing, supply, erection and installation of pre-engineered buildings, material handling solutions and related services as one single operating segment. The analysis of geographical segments is based on the location in which the customers are situated.

**3 Significant accounting judgments, estimates and assumptions**

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

**3.1 Judgements / estimates**

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

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial year, are described below:

a. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared.

b. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**(a) Revenue from contracts with customers**

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining the revenue to be recognized in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.

Determining the expected losses, which are recognized in the period in which such losses become probable based on the expected total contract cost as of the reporting date.

**(b) Useful lives of property, plant and equipment**

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by the management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful lives of the assets.

**(c) Contingent liabilities**

The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

**(d) Provision for expected credit losses of trade receivables and contract assets**

The Company makes provision of expected credit losses on trade receivables using a provision matrix. The provision matrix is based on its historical observed default rates, adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and the Company makes appropriate provision wherever outstanding is for longer period and involves higher risk.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

**(e) Defined benefit plans (Gratuity benefits)**

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

All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality table. The mortality table tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

**(f) Deferred tax recognition**

Deferred tax asset (DTA) is recognized only when and to the extent there is convincing evidence that the Company will have sufficient taxable profits in future against which such assets can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, recent business performance and developments.



4 Recent accounting pronouncements

The Ministry of Corporate Affairs has notified amendments to various Indian Accounting Standards through the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025 as under:

• Amendments to Ind AS 1 and Ind AS 10: Classification of Liabilities as Current or Non-current

These amendments are introduced to clarify the requirements on determining whether a liability is current or non-current and require new disclosures for non-current liabilities that are subject to future covenants. These amendments apply for the annual reporting periods beginning on or after April 1, 2025, while certain amendments are effective for annual reporting periods beginning on or after April 1, 2026. The Company is in the process of assessing the impact of these amendments, which will be applied retrospectively in accordance with Ind AS 8. These amendments may particularly affect the classification and disclosures relating to non-current borrowings subject to future covenant compliance.

• Amendments to Ind AS 107 and Ind AS 7: Supplier Finance Arrangements

These amendments introduce new disclosures relating to supplier finance arrangements that assist users of the financial statements to assess the effects of these arrangements on an entity's liabilities and cash flows and on an entity's exposure to liquidity risk. The amendments apply for the annual reporting periods beginning on or after April 1, 2025. The Company is in the process of assessing whether any of its supplier related financing arrangements fall within the scope of these amendments and, if so, will provide the required disclosures.

• Amendments to Ind AS 21: The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)

These amendments require assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable and also requires specific disclosures viz. the nature and financial effects of the currency not being exchangeable, the spot exchange rates used, the estimation process, and the risks to which the entity is exposed because of the currency not being exchangeable. The amendment also lays down transition requirements, while specifically stating that an entity shall not restate comparative information in applying Lack of Exchangeability. These amendments are effective from April 1, 2025; however, these amendments are not expected to have a material impact on the Company's financial statements as the Company's transactions are limited to currencies that are freely convertible and exchangeable, and management has assessed that no significant restrictions apply to its operations.

• Amendments to Ind AS 12: International tax reform—Pillar Two model rules

The amendments to Ind AS 12 have been introduced in response to the OECD's BEPS Pillar Two rules and include a mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules and disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation.

These amendments have no impact on the Company's financial statements as the Company is not in scope of the Pillar Two model rules.



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**Ardee Engineering Limited**

(formerly known as Ardee Engineering Private Limited)

(CIN: U29100TG2020PLC141953)

**Notes forming part of Consolidated Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**5 Property, plant and equipment**

Gross Carrying value (at cost or deemed cost)									
	Land	Buildings	Plant and machinery	Furniture and fixtures	Computers	Office equipment	Vehicles	Total	
<b>Balance as at April 1, 2023</b>									
Additions	98.06	61.00	69.65	1.72	3.33	3.70	87.72	325.18	
Disposals	179.25	63.61	153.40	0.55	2.67	5.63	75.50	480.61	
<b>Balance as at March 31, 2024</b>									
Additions	277.31	124.61	223.05	2.27	6.00	9.33	161.21	803.78	
Disposals	247.39	-	41.51	0.47	2.18	10.00	49.06	350.61	
<b>Balance as at March 31, 2025</b>									
Accumulated depreciation	524.70	124.61	263.11	2.74	8.18	19.33	210.27	1,152.94	
Depreciation for the year	-	-	-	-	-	-	-	-	
Disposals	-	3.64	6.33	0.22	1.64	0.86	13.11	25.80	
<b>Balance as at March 31, 2024</b>									
Depreciation for the year	-	6.08	11.21	0.34	2.83	1.34	24.47	46.27	
Disposals	-	5.00	16.65	0.25	1.80	2.58	21.52	47.80	
<b>Balance as at March 31, 2025</b>									
	-	11.08	27.75	0.59	4.63	3.92	45.99	93.96	
<b>Net carrying amount as at March 31, 2024</b>									
Net carrying amount as at March 31, 2025	277.31	118.53	211.84	1.93	3.17	7.99	136.74	757.51	
	524.70	113.53	235.36	2.15	3.55	15.41	164.28	1,058.98	

**Notes:**

(i) The Company has not revalued its property, plant and equipment.

(ii) Refer Note 17.1 for details on property, plant and equipment subject to charge on secured borrowings.



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5A Capital work-in-progress

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	-	-
Additions during the year	804.01	-
Capitalised during the year	-	-
Closing balance	804.01	-

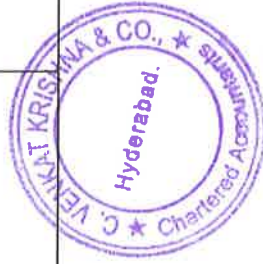
Particulars	Amount in CWIP for a period of		
	Less than 1 year	1-2 years	More than 3 years
Projects in progress (Refer notes below)	804.01	-	-
Projects temporarily suspended	-	-	-

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

Notes:

- Project execution plans are reviewed periodically on the basis of Management's judgement and estimates w.r.t future business, technological developments / economy / industry / regulatory environment and all the projects are assessed as per periodic plan. There are no capital work-in progress projects, whose completion is overdue or has exceed its cost compared with its original plan as at March 31, 2025.
- Refer Note 17.1 for details on property, plant and equipment subject to charge on secured borrowings.
- Project in progress includes below:

Description of Property	Gross carrying value (Rs. in Mn)	Held in name of	Whether it is in name of promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Land at Seetharampur	631.51	Telangana Industrial Infrastructure Corporation Limited [TGILC Ltd]	No	From October 2024 to till date	The land was acquired by the Company pursuant to the agreement of sale dated March 11, 2025 entered between TGILC Ltd and the Company; The allotted land shall be utilised for setting up of "new manufacturing facility" as per Detailed project report. The transfer of title/Execution of Sale deed is subject to conditions stipulated in final allotment letter dated March 07, 2025. The entity has not incurred any amount for setting up of the new manufacturing facility as of the reporting date. The management is of the view that all the conditions stipulated are likely to be fulfilled.



**Ardee Engineering Limited**

(formerly known as Ardee Engineering Private Limited)

(CIN: U29100TG2020PLC141953)

**Notes forming part of Consolidated Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**6 Right of use assets and Lease liabilities****Right-of-use assets:**

Description	Buildings	Plant and machinery	Total
Cost as at April 1, 2023	19.31	8.20	27.51
Additions	9.27	-	9.27
Deletions	-	-	-
Cost as at March 31, 2024	28.58	8.20	36.78
Additions	34.34	-	34.34
Deletions	-	-	-
Cost as at March 31, 2025	62.92	8.20	71.12
Accumulated depreciation as at April 1, 2023	5.60	1.89	7.49
Depreciation for the year	7.93	1.90	9.83
Deletions	-	-	-
Accumulated depreciation as at March 31, 2024	13.53	3.79	17.32
Depreciation for the year	10.40	1.89	12.29
Deletions	-	-	-
Accumulated depreciation as at March 31, 2025	23.93	5.68	29.61
Net carrying amount as at March 31, 2024	15.05	4.41	19.46
Net carrying amount as at March 31, 2025	38.99	2.52	41.51

**Lease liabilities:**

(i) Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Balance at the beginning	21.78	22.27
Additions during the year	33.65	8.98
Accrual of interest	2.32	2.32
Interest paid on lease liabilities	(2.32)	(2.32)
Payment of lease liabilities	(12.22)	(9.47)
Closing balance	43.21	21.78
Less: Current lease liabilities	15.10	11.52
Non-current lease liabilities	28.11	10.26

**(ii) Payments recognised as expenses:**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Short-term leases and low value assets (refer Note 30)	157.32	105.23

**Notes:****(i) Leases where Company is a lessee**

The Company has lease contracts for buildings and Industrial property which has lease term between 3 to 6 years. The Company also has lease contracts for plant and machinery, which has lease term of 6 years.

The Company also has certain leases of equipment, machinery and commercial space with lease term up to 12 months. The Company applies the recognition exemptions relating to short-term leases.

(ii) Contractual maturities of lease liabilities on undiscounted basis are disclosed in Note 36.



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**Ardee Engineering Limited**

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**Notes forming part of Consolidated Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**7 Intangible assets**

Description	Computer Software
Cost as at April 1, 2023	0.52
Additions	1.59
Disposals	-
Cost as at March 31, 2024	2.11
Additions	0.27
Disposals	-
Cost as at March 31, 2025	2.38
Accumulated amortisation as at April 1, 2023	0.05
Amortisation for the year	0.22
Disposals	-
Accumulated amortisation as at March 31, 2024	0.27
Amortisation for the year	0.45
Disposals	-
Accumulated amortisation as at March 31, 2025	0.72
Net carrying amount as at March 31, 2024	1.84
Net carrying amount as at March 31, 2025	1.66

**Note:**

The Company has not revalued its intangible assets.

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8 Investments

	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
<b>Non-current</b>				
<b>Investment in Associate</b>				
<b>In unquoted equity shares (fully paid up) (accounted using equity method)</b>				
(i) Ingwenya Mineral Tech Private limited - Equity shares having face value of Rs.100 each	90,870	13.47	90,870	6.86
(ii) Ardee Yantrik Private limited - Equity shares having face value of Rs.10 each*	20,000	0.17	-	-
		<b>13.64</b>		<b>6.86</b>

\*The Company acquired 20,000 equity shares at face value Rs. 10 each amounting to Rs 0.20 Mn as subscriber to the memorandum of Ardee Yantrik Private Limited, incorporated on November 27, 2024 representing 40.00% of the total equity share capital.

**Current**

**Investments in unquoted mutual funds (carried at fair value through profit and loss)**

HDFC Short Term Debt-G	2,75,693.13	8.63	2,75,693.13	7.96
		<b>8.63</b>		<b>7.96</b>

**Notes:**

(a) Aggregate value of unquoted investments in equity shares	13.64	6.86
(b) Aggregate value of unquoted investments in mutual funds	8.63	7.96
(c) Change in fair value of the investments in mutual funds during the year	0.67	0.46
(d) Refer Note 35 for fair value measurements and Note 36 for information about the Company's exposure to financial risks.		
(e) Refer Note 17.1 for details on investments subject to charge on secured borrowings.		

9 Other financial assets (Unsecured, considered good)

	As at March 31, 2025	As at March 31, 2024
<b>Non-current</b>		
Security deposits	1.44	0.97
Deposits with maturity more than 12 months		
Margin money deposits with banks*	123.75	23.31
	<b>125.19</b>	<b>24.28</b>
<b>Current</b>		
Security deposits	30.98	8.37
Interest accrued on fixed deposits with bank	6.10	10.73
Unbilled revenue	898.78	1,005.74
Other receivables	5.90	4.37
	<b>941.76</b>	<b>1,029.21</b>

\* Margin money deposits held against issuance of bank guarantees and letter of credits provided in favour of customers and suppliers.

10 Other assets

	As at March 31, 2025	As at March 31, 2024
<b>Non-current</b>		
Capital Advance	2.07	-
	<b>2.07</b>	<b>-</b>
<b>Current</b>		
Advances recoverable in kind or for value to be received	127.54	100.25
Prepaid expenses	9.73	2.46
Balance with government authorities	133.68	157.41
Share issue expenses*	65.00	-
	<b>335.95</b>	<b>260.12</b>

\*During the year ended March 31, 2025, the Company incurred expenses in connection with the proposed Initial Public Offer (IPO) of equity shares of the Company by way of fresh issue and an offer for sale by the existing shareholders. In relation to the IPO expenses incurred till date, except for listing fees which shall be solely borne by the Company, all other expenses will be shared between the Company and the Selling Shareholders on a pro-rata basis, in proportion to the equity shares issued and allotted by the Company in the fresh issue and the offered shares sold by the selling shareholders in the offer for sale.

11 Inventories

	As at March 31, 2025	As at March 31, 2024
<i>All inventories except for scrap are valued at the lower of cost or net realisable value and scrap is valued at net realisable value</i>		
Raw material*	1,043.19	329.21
Work-in-progress	90.38	330.45
Store and spares	28.40	21.95
Scrap	50.31	1.92
	<b>1,212.28</b>	<b>683.53</b>

\* includes goods-in-transit amounting to Rs. 11.58 Mn (March 31, 2024: Rs. 121.32 Mn)

Refer Note 37.1 for details on Inventories subject to charge on secured borrowings.





12 Trade receivables

	As at March 31, 2025	As at March 31, 2024
<b>Non-Current</b>		
Unsecured		
- Considered good	142.71	80.65
	<b>142.71</b>	<b>80.65</b>
<b>Current</b>		
Unsecured		
- Considered good	2,216.06	1,477.98
- Credit impaired	182.33	141.15
	<b>2,398.39</b>	<b>1,619.13</b>
Less: Allowance for credit impaired trade receivables (refer note g below)	(182.33)	(141.15)
	<b>2,216.06</b>	<b>1,477.98</b>

Notes:

- (a) Amounts due from related parties out of the above trade receivables (refer note 34)  
(b) Trade receivables are non-interest bearing and are generally on credit terms of 0 to 90 days from date of invoicing other than retention money which is due upon expiry of defect liability period. The Company does not hold any collateral security.  
(c) Trade receivables includes retention money aggregating to Rs. 238.57 Mn (March 31, 2024: Rs. 90.88 Mn).  
(d) Refer Note 36 for information about the Company exposure to financial risks, and details of impairment losses for trade receivables and fair values.  
(e) Refer Note 17.1 for details on trade receivables subject to charge on secured borrowings.  
(f) No Trade receivables are due from directors or officers of the company.

(g) Ageing of Trade receivables

As at March 31, 2025								
Particulars	Non-current but not Due	Current but not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 Months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade receivables</b>								
- considered good	142.71	1,538.68	267.14	367.00	42.32	0.92	-	2,358.77
- which have significant increase in credit risk	-	-	-	-	-	-	-	-
- credit impaired	-	-	1.96	29.31	67.26	28.77	55.03	182.33
<b>Disputed trade receivables</b>								
- considered good	-	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>142.71</b>	<b>1,538.68</b>	<b>269.10</b>	<b>396.31</b>	<b>109.58</b>	<b>29.69</b>	<b>55.03</b>	<b>2,541.10</b>
Less: Allowance for credit impaired trade receivables	-	-	(1.96)	(29.31)	(67.26)	(28.77)	(55.03)	(182.33)
<b>Total</b>	<b>142.71</b>	<b>1,538.68</b>	<b>267.14</b>	<b>367.00</b>	<b>42.32</b>	<b>0.92</b>	<b>-</b>	<b>2,358.77</b>

As at March 31, 2024								
Particulars	Non-current but not Due	Current but not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 Months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade receivables</b>								
- considered good	80.65	965.42	226.86	73.68	159.22	52.80	-	1,558.63
- which have significant increase in credit risk	-	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	141.15	-	141.15
<b>Disputed trade receivables</b>								
- considered good	-	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>80.65</b>	<b>965.42</b>	<b>226.86</b>	<b>73.68</b>	<b>159.22</b>	<b>193.95</b>	<b>-</b>	<b>1,699.78</b>
Less: Allowance for credit impaired trade receivables	-	-	-	-	-	(141.15)	-	(141.15)
<b>Total</b>	<b>80.65</b>	<b>965.42</b>	<b>226.86</b>	<b>73.68</b>	<b>159.22</b>	<b>52.80</b>	<b>-</b>	<b>1,558.63</b>



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(h) Expected credit loss (ECL)

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit in the normal course of business. Before accepting any new customer, the Company assesses the potential customer's credit quality.

The movement in the allowance for credit loss:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	141.15	149.30
Less: Written off during the year	(4.37)	(32.21)
Add: Provision created during the year	45.55	24.06
<b>Closing balance</b>	<b>182.33</b>	<b>141.15</b>

(i) Of the trade receivables balance of Rs. 1,785.45 Mn for the year ended March 31, 2025 (March 31, 2024: Rs 896.12 Mn) is due from Company's largest customers individually representing more than 5% of total trade receivables balance.

13 Cash and cash equivalents

	As at March 31, 2025	As at March 31, 2024
Cash on hand	0.12	0.31
Balances with banks:		
In current accounts	1.42	0.77
	<b>1.54</b>	<b>1.08</b>

14 Bank balances other than cash and cash equivalent

	As at March 31, 2025	As at March 31, 2024
Deposits with remaining maturity less than 12 months		
Margin money deposits with banks*	166.71	242.27
	<b>166.71</b>	<b>242.27</b>

\* Margin money deposits held against issuance of bank guarantees and letter of credits provided in favour of customers and suppliers.



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15 Equity share capital

	As at March 31, 2025	As at March 31, 2024
<b>Authorized share capital</b>		
7,00,00,000 equity shares of Rs. 5 each* (March 31, 2024: 3,50,00,000 equity shares of Rs. 10 each)	350.00	350.00
<b>Issued, subscribed and fully paid up</b>		
4,00,00,000 equity shares of Rs. 5 each* (March 31, 2024: 2,00,00,000 equity shares of Rs. 10 each)	200.00	200.00
	200.00	200.00

(i) Shareholders vide the Extra-ordinary general meeting dated March 30, 2024 have approved increase in Authorised Equity Share Capital of the Company from Rs. 200.00 Mn divided into 20,00,00,000 Equity shares of Rs. 10 each to Rs. 350.00 Mn divided into 3,50,00,000 Equity shares of Rs. 10 each by addition of 1,50,00,000 equity shares of Rs. 10 each, ranking pari-passu with existing shares of the Company.

(ii) Sub-division of equity shares\*

Pursuant to resolution passed by the Board of Directors on January 28, 2025 and resolution passed by the Shareholders on January 29, 2025, the company has made Sub-division of 1 (one) equity share of nominal/face value of Rs. 10 into 2 (two) equity shares of nominal/face value of Rs. 5 each, fully paid-up w.e.f. January 31, 2025. Accordingly, the authorised share capital of our Company was sub-divided from 3,50,00,000 equity shares of face value of ₹10 each to 7,00,00,000 Equity Shares of face value of Rs. 5 each.

Notes:

i) Reconciliation of Authorised equity shares at the beginning and at the end of the year:

Particulars	March 31, 2025		March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	3,50,00,000	350.00	2,00,00,000	200.00
Add: Increase in Authorised Share Capital (Refer note below)	-	-	1,50,00,000	150.00
Add: Sub-division of equity shares*	3,50,00,000	-	-	-
<b>Balance at the end of the year</b>	<b>7,00,00,000</b>	<b>350.00</b>	<b>3,50,00,000</b>	<b>350.00</b>

Note:

\*Refer note above on Sub-division of equity shares.

ii) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	2,00,00,000	200.00	1,90,00,000	190.00
Add: Issue during the year (Refer note below)	-	-	10,00,000	10.00
Add: Sub-division of equity shares*	2,00,00,000	-	-	-
<b>Outstanding at the end of the year</b>	<b>4,00,00,000</b>	<b>200.00</b>	<b>2,00,00,000</b>	<b>200.00</b>

Note:

During FY 2023-24 vide board resolution dated March 28, 2024, the Company has issued 10,00,000 Equity shares with a face value of Rs. 10 each at issue price of Rs. 250 per equity share with premium of Rs. 240 per share.

\*Refer note above on Sub-division of equity shares.

iii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Rs. 5 per share (post split- Refer note above for details). Each shareholder is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iv) Shares held by shareholders holding more than 5% shares of the aggregate shares of the Company:

Name of shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares#	% holding	No. of shares	% holding
Mr. Chandra Sekhar Moturu*	3,59,99,900	90.00%	1,79,99,950	90.00%
Mr. Ragdeep Moturu	40,00,000	10.00%	20,00,000	10.00%

\* % holding as of March 31, 2025 and March 31, 2024 - 89.9998% are rounded off to 90.00%.

#Refer note above on Sub-division of equity shares.

v) Shareholding of promoters

Name of promoter	As at March 31, 2025		As at March 31, 2024		% change during the year
	No. of shares**	% holding	No. of shares	% holding	
Mr. Chandra Sekhar Moturu*	3,59,99,900	90.00%	1,79,99,950	90.00%	-
Mr. Ragdeep Moturu	40,00,000	10.00%	20,00,000	10.00%	-
Mrs. Krishna Kumari Moturu#	20	0.00%	-	-	100.00%
Mr. Arundee Moturu#	20	0.00%	-	-	100.00%

\* % holding as of March 31, 2025 and March 31, 2024 - 89.9998% are rounded off to 90.00%.

# Shares are transferred during FY 2023-24 vide resolution March 28, 2024 to the respective shareholders as indicate above, however the shareholders are categorised in the capacity of promoters vide board resolution dated September 17, 2024.

Refer note 17.1 for the details of promoters shares pledged

\*\*Refer note above on Sub-division of equity shares.

Name of promoter	As at March 31, 2024		As at March 31, 2023		% change during the year
	No. of shares	% holding	No. of shares	% holding	
Mr. Chandra Sekhar Moturu*	1,79,99,950	90.00%	1,71,00,000	90.00%	0.00%
Mr. Ragdeep Moturu	20,00,000	10.00%	19,00,000	10.00%	-

\* % holding as of March 31, 2024 - 89.9998% are rounded off to 90.00%.



16 **Other equity**

	As at March 31, 2025	As at March 31, 2024
<b>Reserves and surplus</b>		
Securities premium [Refer Note (i) below]	240.00	240.00
Retained earnings [Refer Note (ii) below]	918.82	430.96
Debenture redemption reserve [Refer Note (iii) below]	15.00	-
<b>Other comprehensive income</b>		
Remeasurement of net defined benefit plan [Refer Note (iv) below]	2.53	2.15
<b>Total other equity</b>	<b>1,176.35</b>	<b>673.11</b>

Notes:

<b>Movement in reserves and surplus</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
<b>(i) Securities premium</b>		
Balance at the beginning of the year	240.00	-
Add: Issue of equity shares (refer note 15)	-	240.00
<b>Balance at the end of the year</b>	<b>240.00</b>	<b>240.00</b>
<b>(ii) Retained earnings</b>		
Balance at the beginning of the year	430.96	139.91
Less: Transfer to Debenture redemption reserve	(15.00)	-
Add: Net profit for the year	502.86	291.05
<b>Balance at the end of the year</b>	<b>918.82</b>	<b>430.96</b>
<b>(iii) Debenture redemption reserve</b>		
Balance at the beginning of the year	-	-
Add: Transfer from retained earnings	15.00	-
<b>Balance at the end of the year</b>	<b>15.00</b>	<b>-</b>
<b>(iv) Other comprehensive income (OCI)</b>		
Remeasurement of defined benefit obligations (liability net of tax)		
Balance at the beginning of the year	2.15	1.40
Add : Changes during the year	0.38	0.75
<b>Balance at the end of the year</b>	<b>2.53</b>	<b>2.15</b>

**Nature of reserves:**

**(a) Securities premium**

Securities premium represents the amount received in excess of the face value of the equity shares. The utilisation of the securities premium reserve is governed by the section 52 of the Act.

**(b) Retained earnings**

Retained earnings represents the cumulative undistributed profits of the Company and can be utilised in accordance with the provisions of the Act.

**(c) Debenture Redemption Reserve**

Represents the amount transferred to separate reserve on account of issue of Redeemable non-convertible debentures and should be utilised in accordance with the provisions of the Act.

**(d) Other comprehensive income (OCI)**

Remeasurement of defined benefit plan include re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to profit and loss.



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**Ardee Engineering Limited**

(formerly known as Ardee Engineering Private Limited)

(CIN: U29100TG2020PLC141953)

**Notes forming part of Consolidated Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**17 Borrowings**

	As at March 31, 2025	As at March 31, 2024
<b>Non current (at amortised cost)</b>		
<b>Secured</b>		
<b>a. Term loans</b>		
(i) From banks	320.87	189.73
(ii) From non-banking financial companies	364.54	28.19
<b>b. Vehicle and equipment loans</b>		
(i) From banks	133.51	101.53
(ii) From non-banking financial companies	25.69	32.96
<b>c. Business loan- Equipment refinance</b>		
From banks	18.71	18.69
<b>d. Redeemable non-convertible debentures</b>		
From others	147.37	-
<b>Unsecured</b>		
<b>a. Term loans</b>		
(i) From non-banking financial companies	261.12	15.22
<b>b. Working Capital - Business loans</b>		
(i) From banks	-	6.55
(ii) From non-banking financial companies	45.67	36.89
<b>c. Loan from others</b>		
(i) Inter-corporate loan	-	59.49
Less: Current maturities of long-term borrowings	(413.98)	(117.54)
<b>Total non current borrowings</b>	<b>903.50</b>	<b>371.71</b>
<b>Current (at amortised cost)</b>		
<b>Secured</b>		
<b>a. Loans repayable on demand from banks</b>		
(i) Working capital demand loans	205.57	213.31
(ii) Cash credit facilities	469.20	453.40
<b>b. Working capital facility - Channel finance</b>		
(i) From non-banking financial companies	118.35	106.89
<b>Unsecured</b>		
<b>a. Working capital facility - Channel finance</b>		
(i) From non-banking financial companies	138.26	155.15
(ii) Through TReDs platform	868.83	431.19
<b>b. Repayable on demand</b>		
(i) From related parties	11.82	1.40
(ii) From others	2.21	-
Add: Current maturities of long-term borrowings	413.98	117.54
<b>Total current borrowings</b>	<b>2,228.22</b>	<b>1,478.88</b>

Refer Note 35 for fair value measurements and Note 36 for information about the Company's exposure to financial risks.



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17.1 Summary of borrowing terms:  
The repayment terms and maturity terms of borrowings as stated below

<u>Non current borrowings</u>					
Particulars	Rate of interest (%)	Number of equal instalments	Maturity year	As at March 31, 2025	As at March 31, 2024
<u>Secured</u>					
<u>a. Term loans</u>					
(i) From banks (Refer Note 1 below)					
HDFC Bank Limited	9.00%	21 to 69 months	January 2025 to April 2027	26.24	43.77
ICICI Bank Limited	10.00%	84-114 months	October 2031 to October 2033	294.63	145.96
(ii) From non-banking financial companies (Refer Note 2 below)					
Tata Capital Financial Services Limited	11.00%	60 months	August 2028	21.38	28.19
Aditya Birla Capital Limited	12.50%	72 months	February 2031	343.16	-
<u>b. Vehicle and Equipment Loans (Refer Note 3 below)</u>					
(i) From banks					
HDFC Bank Limited	8.55% to 10.25%	12 to 39 months	November 2023 to February 2028	62.05	67.57
Yes Bank Limited	9.09% to 11.12%	36 to 46 months	May 2025 to February 2028	34.24	33.96
Axis Bank Limited	10.10%	35 months	October 2027 to November 2027	37.22	-
(ii) From non-banking financial companies					
Sundaram Finance Limited	11.25% to 12.48%	23 to 60 months	December 2026 to July 2028	25.69	25.57
Toyota Financial Services Private Limited	6.99%	36 months	December 2026	-	7.39
<u>c. Business loan- Equipment refinance (Refer Note 11 below)</u>					
Yes Bank Limited	11.00%	37 months	January 2028	18.71	18.69
<u>d. Redeemable non-convertible debentures (Refer Note 10 below)</u>					
RevX Capital	15.25%	12 months and 1 day	March 2026	147.37	-
<u>Unsecured</u>					
<u>a. Term loans from NBFC</u>					
Tata Capital Financial Services Limited	11.25% to 11.80%	36 months	May 2026 to July 2026	8.55	15.22
IKF Finance Limited	17.00%	36 months	January 2028	252.57	-
<u>b. Working capital - Business Loans</u>					
(i) From banks					
Axis Bank Limited	16.00%	36 months	February 2025	-	1.51
HDFC Bank Limited	15.00%	36 months	March 2025	-	2.88
Unity Small finance Bank limited	17.50%	36 months	March 2025	-	1.96
IDFC First Bank (Capital First Limited)	9.25% to 17.50%	36 to 48 months	December 2022 to August 2024	-	0.20
(ii) From non-banking financial companies					
Oxyzo financial services Private Limited	14.50%	18 months	October 2023 to March 2026	45.67	32.66
Other NBFCs	11.25% to 19.00%	18 to 48 months	December 2021 to March 2025	-	4.23
<u>c. Loan from others- (Refer note 8 below)</u>					
Inter-corporate loan*(EIR- 9.5%)	6.00% *	36 months	April 2025 to March 2027	-	59.49
Less: Current maturities of long-term borrowings				(413.98)	(117.54)
<b>Total</b>				<b>903.50</b>	<b>371.71</b>



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**Notes forming part of Consolidated Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

<b>Current borrowings</b>		
<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
<b>Secured</b>		
<b>a. Loans repayable on demand from banks</b>		
<b>(i) Working Capital Demand Loan (WC DL) (Refer Note 1 below)</b>		
WC DL from HDFC Bank Limited	205.57	213.31
<b>(ii) Cash Credit (Refer Note 1 and 4 below)</b>		
HDFC Bank Limited	99.39	116.34
ICICI Bank Limited	56.58	37.77
State Bank of India	313.23	299.29
<b>b. Working capital - Channel Finance (Refer Note 5 below)</b>		
Tata Capital Financial Services Limited	118.35	106.89
<b>Unsecured</b>		
<b>a. Working capital - Channel Finance- (Refer note 6 below)</b>		
<b>(i) From non-banking financial companies</b>		
Aditya Birla Capital Limited	28.33	54.97
Oxyzo Financial Services Private Limited	109.93	100.18
<b>(ii) Through TreDs platform</b>		
Receivables Exchange of India Limited	653.98	293.36
A TREDS Limited	214.85	137.83
<b>b. Repayable on demand</b>		
From related parties- (Refer note 7 below)	11.82	1.40
From others - (Refer note 8 below)	2.21	-
<b>Add: Current maturities of long-term borrowings</b>	<b>413.98</b>	<b>117.54</b>
<b>Total</b>	<b>2,228.22</b>	<b>1,478.88</b>



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**Ardee Engineering Limited**  
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**Notes:**

**1. Term Loan/Working Capital Demand Loan/Cash Credit**

**(i) Term Loan/Working Capital Demand Loan/Cash Credit from HDFC Bank Limited**

- (a) Primary Security: Current Assets (Stock, Book Debtors), Plant & Machinery, Fixed deposit for Letter of credit, Bank guarantee, personal guarantee from directors and relative of directors
- (b) Collateral Security: One Immovable property owned by relative of director and additional three immovable properties given as co-collateral along with ICICI Bank Limited owned by Directors of the Company.
- (c) Working capital demand loan and cash credit carry interest rate of 9.35% p.a each and repayable on demand and the tenure ranging upto 365 days.
- (d) Personal guarantee has been provided by directors and relatives of directors of the company.

**(ii) Term Loan/Cash Credit from ICICI Bank Limited**

- (a) Exclusive charge on movable fixed assets, Company's immovable property located at Visakhapatnam, Andhra Pradesh, India and first pari passu on current assets and
- (b) Collateral Security: Three immovable properties given as co-collateral along with HDFC Bank Limited owned by Directors of the Company.
- (c) Cash credit facility carry interest at repo rate 6.50% plus spread of 3.25% p.a and repayable on demand and the tenure ranging upto 365 days.
- (d) Personal guarantee has been provided by directors and relatives of directors of the company.

**2. Term loan from NBFC- (Secured)**

- (i) Tata Capital loan is secured under the mortgage of Industrial property situated at IDA Patancheru, Sangareddy District, Telangana.
- (ii) Aditya Birla Capital Finance Limited Loan
- (a) Primary Security: Mortgage of Land and building to be constructed on the land located in Seetharampur, Hyderabad.
- Exclusive charge created by way of hypothecation on moveable fixed assets of the company. Current Assets hypothecated as second pari passu charge
- (b) Personal guarantee has been provided by directors of the company.
- (c) Equity Shares of promoter Mr. Chandra Sekhar Moturu are pledged for the loan facility.

**Unsecured Term loan from NBFC**

- (iii) IKF Finance Limited: Loan is secured under the collateral of the following:
- a) Three properties owned by relative of directors of the company.
- (b) Personal guarantee has been provided by directors of the company.

**3. Vehicle and Equipment loan from Bank and NBFC (Secured):**

Security provided for the vehicle and equipment loans are the underlying assets for which loan has been obtained. First and exclusive charge through hypothecation on the assets purchased from loan proceeds.

**4. Credit facility from SBI Bank (Secured)**

- (i) First pari passu charge on stock and receivables
- (ii) Collateral security on equitable mortgage of industrial land with sheds constructed thereon at Pashamylaram, Sangareddy.
- (iii) Interest rate of 10.14% p.a and repayable on demand and the tenure ranging upto 365 days.
- (iv) Personal guarantee has been provided by directors of the company.

**5. Working Capital/Channel Finance (Secured):**

- (i) Primary charge on stocks and receivables funded out of Tata Capital Financial Services Limited. Collateral - Security on liquid funds i.e. mutual funds.
- (ii) Tata Capital loan is secured under the mortgage of Industrial property situated at IDA Patancheru, Sangareddy District, Telangana
- (iii) Personal guarantee has been provided by directors of the company.

**6. Facility through TreDs platform / other NBFCs:**

Interest ranging from 9.50% p.a to 14.50% p.a, with a credit period ranging from 45 to 120 days.

**7. Loan from related parties**

Interest free loan from related parties are repayable on demand.

**8. Inter Corporate loan**

Inter Corporate loan are obtained at the rate of interest of 6.00% per annum for a period extending upto 3 years and repayable along with interest. Interest is repayable as and when demanded by the lender.

**9. Non-fund facilities from HDFC Bank Limited/ICICI Bank Limited/State Bank of India**

- (i) The tenure of bank guarantees typically ranges from 3 months to 36 months, while the maximum tenor for letter of credit upto 180 days.
- (ii) Commissions on bank guarantees typically ranges from 0.75% p.a to 2.75% p.a, while commissions for letters of credit ranges from 0.70% p.a to 1.40% p.a.

**10. Non convertible redeemable debentures**

The tenure of the Debenture are 12 months and 1 days from the date of disbursement i.e., March 01, 2026 and carry fixed rate of interest at 15.25% p.a.

The debentures are secured as follows:

- (i) Total Security 1.10- times debentures Subscription Amount.
- (ii) Secondary ranking, charge on all existing and future cashflows of the issuer, existing and future fixed and current assets, other assets, including but not limited to inventory (if any), receivables, rental deposits, intangible assets including brand and intellectual property, uncalled share capital etc of the company.
- (iii) Personal guarantee has been provided by directors of the company.

**11. Business loan- Equipment refinance**

Security provided for the business loans obtained through refinance of equipments are the underlying assets for which loan has been obtained. First and exclusive charge through hypothecation on the assets.

12. The Company has not defaulted on working capital loan or any other loan payables.

**13. Utilisation of borrowings availed from banks and financial institutions**

The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such borrowings were taken.

**14. Details of borrowings guaranteed by Directors and others:**

Particulars	As at March 31, 2025	As at March 31, 2024
Directors	1,312.94	721.08
Directors and Relative of Directors	682.44	440.81





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**17.2 Reconciliation of movements of liabilities to cash flows arising from financing activities**

Particulars	Borrowings		Lease liabilities		Total
	Non-current	Current	Non-current	Current	
<b>As at March 31, 2023</b>	<b>154.81</b>	<b>878.11</b>	<b>12.95</b>	<b>9.32</b>	<b>1,055.19</b>
<b>Cash flows:</b>					
Principal paid on lease liabilities	-	-	-	(9.47)	(9.47)
Interest paid on lease liabilities	-	-	-	(2.32)	(2.32)
Proceeds from long term borrowings	403.51	-	-	-	403.51
Repayment of long term borrowings	(71.26)	-	-	-	(71.26)
Proceeds from short term borrowings, net	-	479.72	-	-	479.72
Interest paid on borrowings	(31.21)	(105.45)	-	-	(136.66)
<b>Non-cash flows:</b>					
Movement from non-current to current	(117.54)	117.54	(11.67)	11.67	-
New leases	-	-	8.98	-	8.98
Interest expense during the year	33.40	108.96	-	2.32	144.68
<b>As at March 31, 2024</b>	<b>371.71</b>	<b>1,478.88</b>	<b>10.26</b>	<b>11.52</b>	<b>1,872.37</b>
<b>Cash flows:</b>					
Principal paid on lease liabilities	-	-	-	(12.22)	(12.22)
Interest paid on lease liabilities	-	-	-	(2.32)	(2.32)
Proceeds from long term borrowings	1,070.21	-	-	-	1,070.21
Repayment of long term borrowings	(124.44)	(117.54)	-	-	(241.98)
Proceeds from short term borrowings, net	-	452.90	-	-	452.90
Interest paid on borrowings	(78.78)	(176.15)	-	-	(254.93)
<b>Non-cash flows:</b>					
Movement from non-current to current	(413.98)	413.98	(15.80)	15.80	-
New leases	-	-	33.65	-	33.65
Interest expense during the year	78.78	176.15	-	2.32	257.25
<b>As at March 31, 2025</b>	<b>903.50</b>	<b>2,228.22</b>	<b>28.11</b>	<b>15.10</b>	<b>3,174.93</b>

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**18 Trade payables**

	As at March 31, 2025	As at March 31, 2024
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (MSME)*	258.24	1,028.37
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,896.83	670.00
<b>Total trade payables</b>	<b>2,155.07</b>	<b>1,698.37</b>

**Notes:**

Amounts due to related parties out of the above trade payable (refer note 34)

Refer Note 36 for information about the Company's exposure to financial risks.

Trade payables are non-interest bearing and are normally settled within 0 to 90 days.

\*Includes Interest on delayed payment to MSMEs amounting to Rs. 1.03 Mn for the FY 2024-25 (FY 2023-24: NIL)

**18.1 Trade payables ageing schedule**

**March 31, 2025**

Particulars	Payables Not Due	Outstanding for following periods from due date of Payment					Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	200.77	57.44	0.03	-	-	-	258.24
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	1,330.36	528.52	28.65	8.45	0.85	-	1,896.83
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>1,531.13</b>	<b>585.96</b>	<b>28.68</b>	<b>8.45</b>	<b>0.85</b>	<b>-</b>	<b>2,155.07</b>

**March 31, 2024**

Particulars	Payables Not Due	Outstanding for following periods from due date of Payment					Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	976.46	51.91	-	-	-	-	1,028.37
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	494.25	112.13	39.49	23.36	0.77	-	670.00
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>1,470.71</b>	<b>164.04</b>	<b>39.49</b>	<b>23.36</b>	<b>0.77</b>	<b>-</b>	<b>1,698.37</b>



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**Notes forming part of Consolidated Financial Statements**

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**19 Other financial liabilities**

	As at March 31, 2025	As at March 31, 2024
<b>Current</b>		
Employee dues (refer Note 34)	27.43	21.56
Retention money	0.04	56.42
Payables on purchase of property, plant and equipment	0.66	-
	<b>28.13</b>	<b>77.98</b>

**20 Other current liabilities**

	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	13.66	20.76
Advance from customers	320.02	59.14
Liability towards corporate social responsibility	1.86	-
	<b>335.54</b>	<b>79.90</b>

**21 Provisions**

	As at March 31, 2025	As at March 31, 2024
<b>Non-current</b>		
Employee benefit obligation (refer Note 32)		
Provision for gratuity	17.30	13.03
	<b>17.30</b>	<b>13.03</b>
<b>Current</b>		
Employee benefit obligation (refer Note 32)		
Provision for gratuity	2.41	1.91
	<b>2.41</b>	<b>1.91</b>

**22 Income tax (assets) / liabilities, net**

	As at March 31, 2025	As at March 31, 2024
Provision for taxes	179.81	108.64
Less: Advance tax / TDS (net of refund)	(158.11)	(103.67)
	<b>21.70</b>	<b>4.97</b>

Refer Note 31 for tax expense details.

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23	<b>Revenue from operations</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	Revenue from contract with customers	7,767.20	6,205.07
	Other operating revenue		
	Scrap sale	21.83	4.83
		<b>7,789.03</b>	<b>6,209.90</b>
23.1	<b>Disaggregated revenue information</b>		
	In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major revenue streams and timing of revenue recognition.		
		<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	<b>Primary geographical market</b>		
	In India	7,789.03	6,209.90
	Outside India	-	-
		<b>7,789.03</b>	<b>6,209.90</b>
	<b>Major revenue streams</b>		
	Pre-engineered building	3,948.16	3,111.75
	Material handling systems	2,414.77	1,221.21
	Engineering Services	1,404.27	1,872.11
	Other	21.83	4.83
		<b>7,789.03</b>	<b>6,209.90</b>
	<b>Timing of revenue recognition</b>		
	At a point in time	21.83	4.83
	Over time	7,767.20	6,205.07
		<b>7,789.03</b>	<b>6,209.90</b>
23.2	<b>Information about major customers (from external customers)</b>		
	For the year ended March 31, 2025 the Company has derived revenue from 3 customers totalling to Rs. 3,822.88 Mn (For the year ended March 31, 2024- 3 customers totalling to Rs. 3,370.57 Mn) contributing individually 10% or more of the total revenue.		
23.3	<b>Contract balances</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
	Trade receivables (refer Note 12)	2,358.77	1,558.63
	Contract assets (refer Note 9)	898.78	1,005.74
	Contract liabilities (refer Note 20)	320.02	59.14
24	<b>Other income</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	Interest income earned on financial assets		
	- Bank deposits	19.17	8.97
	- Other interest income	0.18	0.12
	Net gain on financial assets designated on FVTPL	0.67	0.46
	Liabilities no longer required written back	17.79	8.92
	Gain on sale of property, plant and equipment	0.24	-
	Miscellaneous income	0.06	-
		<b>38.11</b>	<b>18.47</b>
25	<b>Cost of materials consumed</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	Inventory at the beginning of the year	329.21	102.87
	Add: Purchases	5,600.39	4,306.82
	Less: Inventory at the end of the year	(1,043.19)	(329.21)
		<b>4,886.41</b>	<b>4,080.48</b>
26	<b>Changes in inventories of work-in-progress</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	<b>Inventories at the beginning of the year</b>		
	Work-in-progress	330.45	335.52
	Scrap	1.92	1.77
	<b>Inventories at the ending of the year</b>		
	Work-in-progress	(90.38)	(330.45)
	Scrap	(50.31)	(1.92)
	<b>Net decrease/ (increase)</b>	<b>191.68</b>	<b>4.92</b>





<b>27</b>	<b>Employee benefits expense</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	Salaries, wages and bonus	309.60	232.56
	Contribution to provident and other funds (refer Note 32)	16.06	12.65
	Gratuity (refer Note 32)	7.12	5.27
	Staff welfare expenses	19.50	22.08
		<b>352.28</b>	<b>272.56</b>
<b>28</b>	<b>Finance costs</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	Interest expense on		
	Borrowings measured at amortised cost	254.93	144.13
	Lease liabilities	2.32	2.32
	Income tax	2.55	3.07
	Other borrowing costs	12.16	6.49
		<b>271.96</b>	<b>156.01</b>
<b>29</b>	<b>Depreciation and amortisation expense</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	Depreciation on property, plant and equipment (refer Note 5)	47.80	25.80
	Depreciation on right-of-use assets (refer Note 6)	12.29	9.83
	Amortisation of intangible assets (refer Note 7)	0.45	0.22
		<b>60.54</b>	<b>35.85</b>
<b>30</b>	<b>Other expenses</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
	Job work, installation and erection charges	558.62	546.91
	Labour charges	269.67	295.84
	Freight charges	108.76	120.16
	Rent	157.32	105.23
	Loading and unloading Charges	2.83	4.03
	Material testing charges	10.83	2.17
	Sand blasting charges	9.36	11.27
	Site civil works	45.27	29.27
	Security charges	11.39	7.18
	Stores and spares consumption	1.94	5.08
	Power and fuel	66.06	24.93
	Transportation charges	5.32	6.70
	Repair and maintenance	20.80	19.75
	Legal and professional charges	7.80	8.70
	Travelling and conveyance expenses	8.93	7.24
	Bank charges	1.37	5.52
	Auditor's remuneration	3.85	3.85
	Rates and taxes	16.75	10.92
	Expenditure for corporate social responsibility	4.56	2.18
	Provision for credit impaired trade receivables	45.55	24.07
	Advances impaired written off	19.16	-
	Miscellaneous expenses	22.14	24.33
		<b>1,398.28</b>	<b>1,265.33</b>



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31 Tax expense

(A) Income tax expense recognised in the Statement of profit and loss:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Current tax:</b>		
Current tax for the year	179.68	101.20
Adjustment of income tax relating to earlier years (net)	-	16.12
<b>Deferred tax:</b>		
Deferred tax for the year	(9.97)	6.26
<b>Income tax expense recognised in the statement of profit or loss</b>	<b>169.71</b>	<b>123.58</b>

(B) Income tax expense charged to other comprehensive income (OCI):

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Income tax impact on re-measurement of defined benefit plans	(0.13)	(0.25)
<b>Income tax charged to OCI</b>	<b>(0.13)</b>	<b>(0.25)</b>

(C) Reconciliation of effective tax rate

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax	672.57	414.63
Tax rate applicable to the Company	25.17%	25.17%
<b>Estimated tax expense on profit</b>	<b>169.27</b>	<b>104.35</b>
Adjustment of income tax relating to earlier years (net)	-	16.12
Tax effect of expenditure disallowed under income tax	3.28	3.08
Others	(2.84)	0.03
<b>Income tax expense</b>	<b>169.71</b>	<b>123.58</b>

(D) Movement in deferred tax assets and deferred tax liabilities from March 31, 2024 to March 31, 2025:

Particulars	As at March 31, 2024	Credit/ (charge) in the Statement of Profit and Loss	Credit/ (charge) in OCI	As at March 31, 2025
Property, plant and equipment and intangible assets	(10.41)	(6.18)	-	(16.59)
Right-of-use assets	(4.90)	(5.55)	-	(10.45)
Provision for credit impaired trade receivables	35.52	10.37	-	45.89
Provision for employee benefits	3.76	1.33	(0.13)	4.96
Lease liabilities	5.48	5.40	-	10.88
Others	(0.56)	4.60	-	4.04
<b>Deferred tax assets (net)</b>	<b>28.89</b>	<b>9.97</b>	<b>(0.13)</b>	<b>38.73</b>

Movement in deferred tax assets and deferred tax liabilities from March 31, 2023 to March 31, 2024:

Particulars	As at April 1, 2023	Credit/ (charge) in the Statement of Profit and Loss	Credit/ (charge) in OCI	As at March 31, 2024
Property, plant and equipment and intangible assets	(4.84)	(5.58)	-	(10.41)
Right-of-use assets	(5.04)	0.14	-	(4.90)
Provision for credit impaired trade receivables	37.58	(2.06)	-	35.52
Provision for employee benefits	2.92	1.09	(0.25)	3.76
Lease liabilities	5.60	(0.12)	-	5.48
Others	(0.81)	0.25	-	(0.56)
<b>Deferred tax assets (net)</b>	<b>35.41</b>	<b>(6.26)</b>	<b>(0.25)</b>	<b>28.89</b>



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32 Employee benefit obligations

32.1 Post retirement benefit - Defined contribution

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and employee state insurance which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The Company has recognised as an expense aggregating for the year ending March 31, 2025: Rs 16.06 Mn; (March 31, 2024: Rs 12.65 Mn) in respect of the defined contribution plans.

32.2 Post-employment benefit - Defined benefit

(a) Gratuity (unfunded)

Particulars

	Net defined benefit liability - Gratuity plan		
	Non-current	Current	Total
As at March 31, 2025	17.30	2.41	19.71
As at March 31, 2024	13.03	1.91	14.94

(b) The Company has a defined benefit gratuity plan in India (Gratuity plan). The Gratuity plan is a final salary plan for India employees, which requires contributions to be made to a separately administered fund. The Gratuity plan is governed by the Payment of Gratuity Act, 1972. Under this Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The plan was unfunded.

The plans are exposed to a number of risks, including:

- Interest rate risk: decreases/increases in the Discount rate used will increase/decrease the defined benefit obligation
- Attrition risk: Changes in the estimation of mortality rates of Current and former employees.
- Salary risk: increases in future salaries increase the gross defined benefit obligation.

Gratuity cost for the year ended March 31, 2025- Rs. 7.12 Mn (March 31, 2024- Rs. 5.27 Mn) has been included in Note 27 under employee benefits expense. The Company's gratuity plan is unfunded.

(c) Amount recognised in statement of profit and loss in respect of these defined benefit i.e. Gratuity plans are as follows:

	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	6.11	4.44
Interest cost	1.01	0.83
Components of defined benefit costs recognised in statement of profit and loss	7.12	5.27
Remeasurement loss/(gain):		
Actuarial loss / (gain) arising from:		
Changes in demographic assumptions	(2.29)	0.53
Changes in financial assumptions	3.35	0.40
Experience adjustments	(1.57)	(1.93)
Components of defined benefit costs recognised in other comprehensive income	(0.51)	(1.00)
Balance as at the end of the year	6.61	4.27

(d) Reconciliation of net defined benefit obligation

	Year ended March 31, 2025	Year ended March 31, 2024
Balance as at the beginning of the year	14.94	11.60
Current service cost	6.11	4.44
Interest cost	1.01	0.83
Included in profit and loss (refer note 27)	7.12	5.27
Remeasurement loss/(gain):		
Actuarial loss / (gain) arising from:		
Changes in demographic assumptions	(2.29)	0.53
Changes in financial assumptions	3.35	0.40
Experience adjustments	(1.57)	(1.93)
Included in OCI	(0.51)	(1.00)
Benefits paid	(1.83)	(0.93)
Other movements	(1.83)	(0.93)
Balance as at the end of the year	19.71	14.94

(e) Actuarial assumptions

The principal actuarial assumptions used in determining the present value of the defined benefit obligations include:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Discount rate	7.02%	7.24%
Future salary growth	10.00%	8.00%
Attrition rate	10.00%	6.00%
Retirement age	60 years	60 years
Mortality rates	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)

The weighted-average duration of the defined benefit obligation as at March 31, 2025 is 10 years (March 31, 2024- 11 years) for gratuity plan.

(f) Maturity analysis

The expected maturity analysis of undiscounted gratuity obligations are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Within 1 year	2.47	1.96
2 to 5 years	5.52	3.51
6 to 10 years	8.76	6.08
> 10 years	26.93	27.28
Total	43.68	38.83



(g) Sensitivity analysis

The impact to the value of the defined benefit obligation of a reasonably possible change to one actuarial assumption, holding all other assumption constant, is presented in the table below. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method has been applied as when calculating the defined benefit liability recognised in the balance sheet.

**Defined benefit obligation**

Actuarial assumptions	Discount rate		Future salary growth	
Reasonably possible change	(+ 1%)	(- 1%)	(+ 1%)	(- 1%)
	Increase	Decrease	Increase	Decrease
As at March 31, 2025	18.11	21.58	21.53	18.08
As at March 31, 2024	13.55	16.57	16.56	13.52

Actuarial assumptions	Attrition rate		Future mortality rates	
Reasonably possible change	(+ 1%)	(- 1%)	(+ 1%)	(- 1%)
	Increase	Decrease	Increase	Decrease
As at March 31, 2025	19.27	20.19	19.70	19.72
As at March 31, 2024	14.75	15.13	14.93	14.93

33 Earnings per share

The following reflects the income and share data used in the basic and diluted earnings per equity share computations:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit after tax	502.86	291.05
Weighted average number of equity shares	4,00,00,000	3,80,21,918
Face value per share (Rs.)	5.00	5.00
<b>Basic and Diluted earnings per equity share</b>	<b>12.57</b>	<b>7.65</b>

Notes:

- Pursuant to sub-division of equity shares [Refer note 15 for details] the Basic and Diluted earnings per equity share presented are calculated reflecting such changes in the number of shares after considering the effect of sub-division on the outstanding numbers of equity shares for the current and previous years.
- No potential equity shares are outstanding as on March 31, 2025 and March 31, 2024 and there are no items giving rise to dilutive equity shares. Hence basic EPS is considered as diluted EPS.



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Ardee Engineering Limited  
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34 Related party transactions

Names of related parties and description of relationship as identified by the Company:

A	Nature of Relationship	Name of the Party
	i) Associate	Ardee Yantrik Private Limited (w.e.f November 27, 2024) Ingwenya Mineral Tech Private Limited (w.e.f June 15, 2023)
	ii) Directors/ Key Managerial Personnel	Chandra Sekhar Moturu, Chairman and Managing Director Ragdeep Moturu, Whole-time Director Sundarama Sarma Gorrepati, Executive Director Arundee Moturu, Executive Director (Appointed w.e.f. August 25, 2024) Krishna Kumari Moturu, Executive Director and Chief Financial Officer (Appointed w.e.f. August 25, 2024) Ravikanth Mallina, Independent Director (Appointed w.e.f August 12, 2024) Visweswara Prasad Yalamanchili, Independent Director (Appointed w.e.f August 12, 2024) Ravinder Komaragiri, Independent Director (Appointed w.e.f August 12, 2024) Srinivas Aravapalli, Independent Director (Appointed w.e.f August 12, 2024) Anjaneyulu Krothapalli, Independent Director (Appointed w.e.f September 17, 2024) Sneha Sunkara, Independent Director (Appointed w.e.f January 27, 2025) Disha Jindal, Company Secretary (Appointed w.e.f. June 05, 2024) also appointed as Compliance officer w.e.f. October 23, 2024)

iii) Entities in which Directors and Key Management Personnel ("KMP") have a significant influence / control with whom Company have made transactions during the reporting period/years

Ardee Drives Private Limited (formerly Balaji Drives Private Limited)  
Rotec Transmissions Private Limited  
Anvizen Consultants Private Limited  
Arun Kapital Networks  
Arun Computers  
Arun Infotech  
M/s ARCS  
Arovan Logistics  
ACS Engineering Solutions  
Blue Ocean Biotech Private Limited

Relative of Directors of Company

Krishna Kumari Moturu (Upto August 24, 2024)  
Arundee Moturu (Upto August 24, 2024)



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**B Transactions during the year with related parties**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Purchase of Goods</b>		
Ardee Drives Private Limited (formerly Balaji Drives Pvt Limited)	46.73	81.83
Rotec Transmissions Private Limited	15.80	14.57
Arun Kapital Networks	3.70	379.58
Ingwenya Mineral Tech Private Limited	138.62	-
M/s ARCS	-	0.04
ACS Engineering Solutions	-	13.88
<b>Purchase of property, plant &amp; equipment and Intangible assets</b>		
Arun Computers	0.19	0.56
Arun Infotech	0.32	-
Arun Kapital Networks	0.96	-
<b>Revenue from Contracts</b>		
Ardee Drives Private Limited (formerly Balaji Drives Pvt Limited)	31.44	12.00
Rotec Transmissions Private Limited	80.57	40.07
Arun Kapital Networks	-	11.34
Ingwenya Mineral Tech Private Limited	-	31.78
Blue Ocean Biotech Private Limited	6.17	-
<b>Rent expense</b>		
M/s ARCS	3.47	3.29
<b>Interest Expense</b>		
Anvizen Consultants Private Limited	2.10	-
<b>Other expenses</b>		
Arun Computers	0.34	1.32
Arun Kapital Networks	9.51	-
M/s ARCS	6.56	3.94
Arovan Logistics	19.41	25.57
Arun Infotech	1.04	-
Rotec Transmissions Private Limited	3.80	-
<b>ICD taken</b>		
Ingwenya Mineral Tech Private Limited	50.74	-
Blue Ocean Biotech Private Limited	130.00	-
Anvizen Consultants Private Limited	100.00	-
<b>ICD repaid</b>		
Ingwenya Mineral Tech Private Limited	50.74	-
Blue Ocean Biotech Private Limited	130.00	-
Anvizen Consultants Private Limited	100.00	-
<b>Proceeds from Borrowings_Unsecured Loan</b>		
Mr. Chandra Sekhar Moturu	41.50	143.30
Mr. Ragdeep Moturu	4.57	59.05
<b>Corporate Guarantee Given</b>		
Ardee Drives Private Limited (formerly Balaji Drives Pvt Limited)	52.50	-
<b>Repayments of borrowings_Unsecured Loan</b>		
Mr. Chandra Sekhar Moturu	30.29	246.22
Mr. Ragdeep Moturu	3.96	72.35
<b>Retention Money Paid</b>		
Arun Kapital Networks	56.42	-
<b>Advances from Customers</b>		
Ardee Drives Private Limited (formerly Balaji Drives Pvt Limited)	-	3.29



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Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Advance to suppliers</b>		
Ardee Drives Private Limited (formerly Balaji Drives Pvt Limited)	0.92	-
Ingwenya Mineral Tech Private Limited	-	3.50
<b>Advance taken</b>		
Arun Kapital Networks	56.00	-
<b>Advance repaid</b>		
Arun Kapital Networks	56.00	-
<b>Staff Advance Given</b>		
Mr. Arundee Moturu	2.40	1.86
Mr. Sundararama Sarma Gorrepati	-	0.15
<b>Expenses reimbursed</b>		
Mr. Sundararama Sarma Gorrepati	0.77	-
<b>Staff Advance repaid</b>		
Mr. Arundee Moturu	7.47	-
<b>Investment in Associates</b>		
Ardee Yantrik Private Limited	0.20	-
Ingwenya Mineral Tech Private Limited	-	5.45
<b>Proceeds from issue of equity shares including securities premium</b>		
Mr. Chandra Sekhar Moturu	-	225.00
Mr. Ragdeep Moturu	-	25.00
<b>Reimbursement of expenses</b>		
Arovan Logistics	0.86	-
ACS Engineering Solutions	0.20	-
Mr. Chandra Sekhar Moturu	0.75	-
Mr. Ragdeep Moturu	0.60	-
Mrs. Krishna Kumari Moturu	0.65	-
Ms. Disha Jindal	0.08	-
<b>Employee benefits expense</b>		
Mrs. Krishna Kumari Moturu	0.95	2.40
Mr. Arundee Moturu	0.95	2.40
<b>Managerial Remuneration (Refer note iii below)</b>		
Mr. Chandra Sekhar Moturu	3.98	3.30
Mr. Ragdeep Moturu	4.80	4.80
Mr. Sundararama Sarma Gorrepati	3.72	2.99
Mrs. Krishna Kumari Moturu	1.45	-
Mr. Arundee Moturu	1.45	-
Ms. Disha Jindal	0.91	-



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C Amount due to/from related parties :

Name of the related party	As at March 31, 2025	As at March 31, 2024
<b>Trade Payables</b>		
Ardee Drives Private Limited (formerly Balaji Drives Pvt Limited)	-	115.07
Arun Computers	1.45	1.23
Arun Kapital Networks	2.65	-
Rotec Transmissions Private Limited	3.02	-
Ingwenya Mineral Tech Private Limited	4.05	-
M/s ARCS	2.21	2.60
ACS Engineering Solutions	8.74	11.41
Arovan Logistics	1.60	2.86
<b>Investment in Associates (Including Share of profit)</b>		
Ingwenya Mineral Tech Private Limited	13.47	6.86
Ardee Yantrik Private Limited	0.17	-
<b>Trade Receivables</b>		
Ardee Drives Private Limited (formerly Balaji Drives Pvt Limited)	3.78	-
Rotec Transmissions Private Limited	24.97	31.69
Arun Kapital Networks	-	31.28
Ingwenya Mineral Tech Private Limited	-	14.43
Blue Ocean Biotech Private Limited	0.23	-
<b>Borrowings-Unsecured loan</b>		
Mr. Chandra Sekhar Moturu	11.26	0.74
Mr. Ragdeep Moturu	0.56	0.66
Rama Nimmagadda	-	-
<b>Managerial Remuneration Payable</b>		
Mr. Chandra Sekhar Moturu	0.68	-
Mr. Ragdeep Moturu	0.71	-
Mr. Sundararama Sarma Gorrepati	0.22	-
Mrs. Krishna Kumari Moturu	0.16	-
Mr. Arundee Moturu	0.16	-
Ms. Disha Jindal	0.09	-
<b>Retention Money Payable</b>		
Arun Kapital Networks	-	56.42
<b>Advances received from customer</b>		
Ardee Drives Private Limited (formerly Balaji Drives Pvt Limited)	-	3.29
<b>Advance to suppliers</b>		
Ardee Drives Private Limited (formerly Balaji Drives Pvt Limited)	0.92	-
Arun Infotech	-	1.61
Ingwenya Mineral Tech Private Limited	-	3.50
<b>Reimbursement of expenses payable</b>		
Mrs. Krishna Kumari Moturu	0.65	-
Ms. Disha Jindal	0.00	-
<b>Staff Advance</b>		
Mr. Arundee Moturu	0.05	5.12
Mr. Sundararama Sarma Gorrepati	-	0.77
<b>Share Issue Expenses Receivable</b>		
Mr. Chandra Sekhar Moturu	8.97	-
<b>Corporate Guarantee Given</b>		
Ardee Drives Private Limited (formerly Balaji Drives Pvt Limited)	52.50	-

Notes :

- Personal guarantees were provided by Chandra Sekhar Moturu and Ragdeep Moturu towards borrowings facilities availed by the Company, where applicable. (refer Note 17.1)
- All the related party transactions entered during the year were in ordinary course of business and on arm length basis.
- Liability for gratuity on actuarial valuation basis are provided for the Company as a whole. Accordingly, amount pertaining to key managerial personnel are not included.





**Ardee Engineering Limited**

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**Notes forming part of Consolidated Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**35 Fair value measurements****35.1 The carrying amounts of financial assets and financial liabilities by categories were as follows:**

Particulars	Notes	FVTPL	FVTOCI	Amortised cost
<b>As at March 31, 2025</b>				
<b>Financial assets</b>				
Investments*	8	8.63	-	13.64
Trade receivables	12	-	-	2,358.77
Cash and cash equivalents	13	-	-	1.54
Bank balances other than cash and cash equivalents	14	-	-	166.71
Other financial assets	9	-	-	1,066.95
<b>Total financial assets</b>		<b>8.63</b>	<b>-</b>	<b>3,607.61</b>
<b>Financial liabilities</b>				
Borrowings	17	-	-	3,131.72
Trade payables	18	-	-	2,155.07
Other financial liabilities	19	-	-	28.13
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>5,314.92</b>

\*Investments in associates are accounted as per equity method

**As at March 31, 2024**

<b>Financial assets</b>				
Investments*	8	7.96	-	6.86
Trade receivables	12	-	-	1,558.63
Cash and cash equivalents	13	-	-	1.08
Bank balances other than cash and cash equivalents	14	-	-	242.27
Other financial assets	9	-	-	1,053.49
<b>Total financial assets</b>		<b>7.96</b>	<b>-</b>	<b>2,862.33</b>
<b>Financial liabilities</b>				
Borrowings	17	-	-	1,850.59
Trade payables	18	-	-	1,698.37
Other financial liabilities	19	-	-	77.98
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>3,626.94</b>

\*Investments in associates are accounted as per equity method

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**Ardee Engineering Limited**

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**Notes forming part of Consolidated Financial Statements**

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**35.2 Fair value hierarchy**

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices in active markets for identical items (unadjusted)

Level 2: Observable direct or indirect inputs other than Level 1 inputs

Level 3: Unobservable inputs (i.e. not derived from market data)

Particulars	Notes	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2025</b>					
<b>Financial assets measured at fair value - recurring fair value measurements</b>					
<b>At FVTPL</b>					
Investment in mutual funds	8	8.63	-	-	8.63
<b>Financial assets measured at amortised cost for which fair values are disclosed</b>					
Security deposits	9	-	-	32.42	32.42
<b>Total financial assets</b>		<b>8.63</b>	<b>-</b>	<b>32.42</b>	<b>41.05</b>
<b>Financial liabilities measured at amortised cost for which fair values are disclosed</b>					
Borrowings	17	-	-	3,131.72	3,131.72
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>3,131.72</b>	<b>3,131.72</b>
<b>As at March 31, 2024</b>					
<b>Financial assets measured at fair value - recurring fair value measurements</b>					
<b>At FVTPL</b>					
Investment in mutual funds	8	7.96	-	-	7.96
<b>Financial assets measured at amortised cost for which fair values are disclosed</b>					
Security deposits	9	-	-	9.34	9.34
<b>Total financial assets</b>		<b>7.96</b>	<b>-</b>	<b>9.34</b>	<b>17.30</b>
<b>Financial liabilities measured at amortised cost for which fair values are disclosed</b>					
Borrowings	17	-	-	1,850.59	1,850.59
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>1,850.59</b>	<b>1,850.59</b>

There have been no transfers between Level 1, Level 2 and Level 3 during the current year and previous year.

**35.3 Methods and assumptions**

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

- The fair value of borrowings is estimated by discounting the future contractual cash flows at the current market interest rates. The own non performance risk as at year end was assessed to be insignificant. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.
- The fair value of security deposits were calculated based on future cash flows using a current lending rate. These are based on discounted cash flow analysis. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.
- The Company has not disclosed the fair values of financial instruments such as trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents and trade payables, because their carrying amounts are a reasonable approximation of fair value.
- The mutual funds are valued using the closing NAV. These instruments are classified as level 1 fair values in the fair value hierarchy.



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**Notes forming part of Consolidated Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**36 Financial risk management**

**36.1 General objectives, policies and processes**

The Company is exposed through its operations to the following financial risks: (i) Credit risk; (ii) Market risk comprising of interest rate risk, foreign exchange risk and other price risk; and (iii) Liquidity risk.

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these consolidated financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous year unless otherwise stated in this note.

The Board has the overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

**36.2 Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's trade receivables, security deposits, bank balances and other financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2025 and March 31, 2024 is the carrying amounts of financial assets as per Note 35.

None of the Company's cash equivalents, other bank balances and security deposits were past due or impaired as at March 31, 2025 and March 31, 2024.

**Trade receivables and contract assets**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and location in which customers operate. The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period.

The Company makes provision of expected credit losses on trade receivables using a provision matrix. The provision matrix is based on its historical observed default rates, adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and Company makes appropriate provision wherever outstanding is for longer period and involves higher risk. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10 and 13. The Company does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment. The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The movement in provision for expected credit loss for trade receivables are as follows:

Particulars	Amount
Loss allowance as at April 1, 2023	149.30
Increase in loss allowance recognised in profit or loss during the year	24.06
Less: Utilised during the year	(32.21)
Loss allowance as at March 31, 2024	141.15
Increase in loss allowance recognised in profit or loss during the year	45.55
Less: Utilised during the year	(4.37)
Loss allowance as at March 31, 2025	182.33

**36.3 Market risk**

Market risk arises from the Company's use of interest-bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk). The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**(a) Interest rate risk**

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

**(i) Exposure to interest rate risk**

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings with variable rate of interest	1,970.32	1,549.52
Borrowings with fixed rate of interest	1,161.40	299.67

**(ii) Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the portion of variable interest-bearing borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on such floating rate borrowings, as follows:

Particulars	Increase/ decrease in basis points	Balance	Effect on profit before tax
March 31, 2025	+100/-100	1,970.32	19.70
March 31, 2024	+100/-100	1,549.52	15.50



**(b) Foreign exchange risk**

The Company has no foreign currency receivables or payables as on March 31, 2025 and March 31, 2024 and therefore foreign exchange risk is not applicable.

**36.4 Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due.

**a) Maturities of financial liabilities**

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

As at March 31, 2025	Note	Carrying amount	Contractual cash flows					
			Total	Up to 3 Months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Lease liabilities	6	43.21	52.35	5.04	14.54	14.23	18.54	-
Borrowings	17	3,131.72	3,139.25	2,022.50	204.47	261.49	457.82	192.97
Trade payables	18	2,155.07	2,155.07	1,531.13	623.94	-	-	-
Other financial liabilities	19	28.13	28.13	27.43	0.70	-	-	-
<b>Total</b>		<b>5,358.13</b>	<b>5,374.80</b>	<b>3,586.10</b>	<b>843.65</b>	<b>275.72</b>	<b>476.36</b>	<b>192.97</b>

As at March 31, 2024	Note	Carrying amount	Contractual cash flows					
			Total	Up to 3 Months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Lease liabilities	6	21.78	24.50	3.21	8.31	9.49	3.49	-
Borrowings	17	1,850.59	1,856.76	746.25	736.47	98.27	197.67	78.10
Trade payables	18	1,698.37	1,698.37	1,171.85	526.52	-	-	-
Other financial liabilities	19	77.98	77.98	21.56	56.42	-	-	-
<b>Total</b>		<b>3,648.72</b>	<b>3,657.61</b>	<b>1,942.87</b>	<b>1,327.72</b>	<b>107.76</b>	<b>201.16</b>	<b>78.10</b>

The interest payments on variable interest rate borrowings in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change. The future cash flows on contingent consideration may be different from the amount in the above table as the relevant conditions underlying the contingency change. Except for these financial liabilities, it is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

**37 Additional information on the entities included in the Consolidated Financial Statements**

Particulars	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>March 31, 2025</b>								
<b>Parent</b>								
Ardee Engineering Limited	100.00%	1,376.35	98.69%	496.28	100.00%	0.38	98.69%	496.66
<b>Associates</b>								
(i) Ingwenya Mineral Tech Private limited	-	-	1.31%	6.61	0.00%	0.00	1.31%	6.61
(ii) Ardee Yantrik Private limited	-	-	-0.01%	(0.03)	0.00%	0.00	-0.01%	(0.03)
<b>Total</b>	<b>100.00%</b>	<b>1,376.35</b>	<b>100.00%</b>	<b>502.86</b>	<b>100.00%</b>	<b>0.38</b>	<b>100.00%</b>	<b>503.24</b>
<b>March 31, 2024</b>								
<b>Parent</b>								
Ardee Engineering Limited	100.00%	873.11	100.00%	291.05	100.00%	0.75	100.00%	291.80
<b>Associate</b>								
Ingwenya Mineral Tech Private limited	-	-	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>Total</b>	<b>100.00%</b>	<b>873.11</b>	<b>100.00%</b>	<b>291.05</b>	<b>100.00%</b>	<b>0.75</b>	<b>100.00%</b>	<b>291.80</b>

Notes:

(a) During the FY 2024-25, the Company acquired 20,000 equity shares at face value Rs. 10 each amounting to Rs.0.20 Mn as subscriber to the memorandum of Ardee Yantrik Private Limited, incorporated on November 27, 2024 representing 40.00% of the total equity share capital.

(b) During the FY 2023-24, pursuant to Share Purchase Agreement dated June 7, 2023, the Company has acquired 21.62% of shareholding in Ingwenya Mineral Tech Private limited (IMT) and is an associate of the Company.



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**Notes forming part of Consolidated Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**38 Segment information**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's chief operating decision maker (CODM) to make decisions for which discrete consolidated financial statements is available. The Company is a design, engineering and manufacturing Company which is engaged in turnkey PEB projects, material handling and processing solutions, electrical and automation solutions, heavy structural and precision engineering solutions. The CODM identified entire business as a single reportable segment, hence segment reporting is not applicable.

**39 Capital management**

The Company's objectives when maintaining capital are:

- (a) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- (b) to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company sets the amount of capital it requires in proportion to risk. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital on the basis of the net debt to equity ratio. This ratio is calculated as net debt divided by equity. Net debt is calculated as the total borrowings and lease liabilities less cash and cash equivalents and other bank balances.

**The debt-to-adjusted-capital ratios were as follows:**

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings and lease liabilities	3,174.93	1,872.37
Less: Cash and cash equivalents and other bank balances	(292.00)	(266.66)
<b>Net debt</b>	<b>2,882.93</b>	<b>1,605.71</b>
Equity share capital	200.00	200.00
Other equity	1,176.35	673.11
<b>Total equity</b>	<b>1,376.35</b>	<b>873.11</b>
<b>Net debt to equity ratio (times)</b>	<b>2.09</b>	<b>1.84</b>

No changes were made in the objectives, policies or processes for managing capital during the current and previous years.

**40 Contingent liabilities and commitments**

**40.1 Contingent liabilities**

- (a) There are no claims against the Company not acknowledged as debt as on March 31, 2025 and March 31, 2024.

**(b) Guarantees excluding financial guarantees**

Particulars	As at March 31, 2025	As at March 31, 2024
Corporate guarantee given to related party (Refer note 34)	52.50	-
<b>Total</b>	<b>52.50</b>	<b>-</b>

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related assets are recognised.

**40.2 Commitments - There are Capital commitments amounting to Rs. 8.00 Mn as on March 31, 2025 (March 31, 2024- NIL)**

**41 Audit Trail**

- (a) The Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of the preceding year, has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the accounting software.

- (b) In respect of Ingwenya Mineral Tech Private Limited (associate), accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of the preceding year, has been preserved by the Company as per the statutory requirements for record retention.

- (c) In respect of Ardee Yantrik Private Limited (associate), the books of account for the period from November 27, 2024 to March 31, 2025 were entirely maintained manually by the Company and has not used any accounting software for the said period for maintaining its books of account, hence requirement of recording audit trail (edit log) facility is not applicable.

**42 Subsequent events**

Pursuant to approval of Board and Shareholders vide meetings dated July 4, 2025 and July 9, 2025 respectively, the company has issued 410,000 equity Shares on preferential basis at the issue price of Rs. 425/- per equity share having Face value of Rs. 5/- per equity share (i.e. including Securities Premium at Rs. 420/- per equity share).

The management has assessed the subsequent events to the reporting period and is of the view that there are no material events which require adjustment or disclosure in the financial statements except as disclosed in financial statements.

**43 Other regulatory information**

**(i) Details of benami property held**

No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.

**(ii) Borrowings secured against current assets**

The Company has borrowings secured against current assets and statements of current assets filed by the Company with banks are in agreement with the books of accounts.



**Notes forming part of Consolidated Financial Statements**

(All amounts are Rs. in Million, except for share and per share data and where otherwise stated)

**(iii) Wilful defaulter**

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

**(iv) Relationship with struck off companies**

The Company does not have any relationship with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

**(v) Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under section 2(87) of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017.

**(vi) Undisclosed income**

The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in tax assessments under the Income-tax Act, 1961.

**(vii) Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current period or previous years.

**(viii) Registration of charges or satisfaction with ROC**

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

**(ix) Compliance with approved scheme(s) of arrangements**

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

**(x) Utilisation of borrowed funds and share premium**

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:  
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or  
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

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

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or  
b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**44 The Code on Social Security, 2020**

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

**45 Previous year figures have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosures.**

**46 These Consolidated Financial Statements were approved for Issue in accordance with a resolution of the board of directors on August 29, 2025.**

As per our report of even date attached

**For C Venkat Krishna & Co**  
Chartered Accountants

ICAI Firm Registration No.: 004599S

**For M S K C & Associates LLP**  
(formerly known as M S K C & Associates)

Chartered Accountants

ICAI Firm Registration No.: 001595S/S000168

For and on behalf of the Board of Directors  
**Ardee Engineering Limited**

(formerly known as Ardee Engineering Private Limited)

**P.V.N Sastry**  
Partner  
Membership No. 029098

**Tarun Kumar Jain**  
Partner  
Membership No. 231741



**Chandra Sekhar Moturu**  
Chairman and Managing Director  
DIN 02010969

**Ragdeep Moturu**  
Whole-time Director  
DIN 07587747



**Krishna Kumari Moturu**  
Executive Director and  
Chief Financial Officer  
DIN 10376709

**Disha Jindal**  
Company Secretary  
and Compliance  
Membership No. A65058

Place: Hyderabad  
Date: August 29, 2025

Place: Hyderabad  
Date: August 29, 2025

