

INDO TECH



Annual Report 2020-2021

Environmental Health and Safety (EHS) Excellence Award



ISO 45001 : 2018 - Occupational Health and Safety Management System



Annual General Meeting on
Wednesday, September 08, 2021
through Video Conferencing (“VC”) /
Other Audio Visual Means (“OAVM”)
at 10. 30 A.M (IST).

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COMPANY INFORMATION**Board of Directors**

N Visweswara Reddy
Non-Executive Director – Chairperson

Ajay Kumar Dhagat
Independent Director

Shridhar Gokhale
Whole-Time Director

Sutanu Behuria
Independent Director

Sharat Chandra Kolla
Non-Executive Director

Leena M Sathyanarayanan
Independent Director

Chief Financial Officer

Saikrishnan C.P.

Company Secretary & Compliance Officer

Sathyamoorthy A

Statutory Auditors

ASA & Associates LLP, Chartered Accountants
Unit 709 & 710, 7th Floor, BETA Wing, Raheja Towers,
New Number 177, Anna Salai, Chennai – 600002
Telephone : +91 44 4904 8200

Secretarial Auditors

J B BHAVE & Co, Company Secretaries
7/9, Karan Aniket, Level 4 & 5,
Plot No. 37, Shri Varanasi Society, Behind Atul Nagar,
Off Mumbai-Bangalore By-pass, Warje, Pune - 411 058

Internal Auditors

G Balu Associates LLP, Chartered Accountants
Jammi Building, No. 123,
Royapettah High Road,
Mylapore, Chennai - 600 004

Cost Auditors

Thanigaimani & Associates, Cost Accountants
Flat A, Crystal Garden, 7 Nowroji Road, Second St,
Chetpet, Chennai - 600 031

Registrar and Transfer Agents

Link Intime India Private Limited
C-101, 247 Park, L B S Marg,
Vikhroli West, Mumbai - 400 083
Telephone : 022-49186270
Fax : 022-49186060
Email : rnt.helpdesk@linkintime.co.in

Bankers

State Bank of India
Bank of Baroda
Citibank N. A.

Registered Office & Factory

Survey No.153-210, Illuppapattu Village, Near Rajakulam,
KM-64, Kancheepuram (Dist.), Tamil Nadu-631 561

NOTICE

NOTICE is hereby given that the **29TH Annual General Meeting ('AGM')** of the Members of Indo-Tech Transformers Limited will be held on Wednesday, September 08, 2021 at 10.30 A.M. Indian Standard Time ("IST") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:-

ORDINARY BUSINESS:

- (1) To receive, consider and adopt the Audited Financial statements for the financial year ended March 31, 2021 and the Reports of the Directors and Auditors thereon.
- (2) To appoint a Director in place of Mr. Shridhar Gokhale (DIN: 08349732), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- (3) **Appointment of Ms. Leena M Sathyanarayanan (DIN: 08947423) as Independent Director**

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

RESOLVED that pursuant to the provisions of Sections 149, 152 and such other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s), variation(s) or re-enactment thereof for the time being in force) after taking into consideration of declarations that she is eligible for appointment and that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and further proposing herself as a candidate for the office of Director, based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors under Section 160 of the Act, Ms. Leena M Sathyanarayanan (DIN: 08947423), who was appointed by the Board of Directors, as an Additional Director of the Company with effect from November 05, 2020 pursuant to Section 161 of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting of the Company, being eligible, offers herself for appointment, be and is hereby appointed as Independent Director of the Company for a period of five years from the date of this Annual General Meeting, not liable to retire by rotation.

- (4) **Approval of Related Party Transaction**

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

RESOLVED that pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies (Indian Accounting Standards) Rules, 2015 (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and are hereby accorded for entering into the Contracts/Arrangement/Transactions with the Related Parties of the Company during the financial year 2021-22, up to the maximum amounts as appended in table below:

S. No	Name of the related party	Relationship	Maximum value of transaction to be entered during FY 2021-22
1	Shirdi Sai Electricals Limited	Holding Company	Rs 100 Crores
2	Prolec-GE Internacional S. de R L. de. C. V	Promoter	Rs 20 Crores
3	All group entities which are related party to the Company.	Associate(s)	Rs 50 Crores
4	Any other person/entity which is a Related Party		

RESOLVED FURTHER that the Board of Directors be and are hereby authorised to undertake all such acts, deeds, matters and things to finalise and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to give effect to this resolution, and to settle any question, difficulty or doubt that may arise in this regard.

RESOLVED FURTHER that the Board of Directors be and are hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this resolution.

(5) **Ratification of the Remuneration of the Cost Auditor for FY 2020-21**

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

RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the members of the Company be and are hereby accorded to ratify the remuneration of Rs. 2,00,000/- (Rupees Two Lakhs Only) plus Tax at the applicable rates and reimbursement of out of pocket expenses decided by the Board of Directors, based on the recommendation of the Audit Committee, to M/s. Thanigaimani & Associates, Cost Accountants, who was appointed by the Board of Directors of the Company on June 22, 2021 to fill the casual vacancy caused by resignation of Mr M J Gopalakrishnan, for conducting the audit of the cost records of the Company for the financial year ending on March 31, 2021.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

RESOLVED FURTHER that the Board of Directors be and are hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this resolution.

(6) **Ratification of the Remuneration of the Cost Auditor for FY 2021-22**

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

RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the members of the Company be and is hereby accorded to ratify the remuneration decided by the Board of Directors, based on the recommendation of the Audit Committee, of Rs. 2,00,000/- (Rupees Two Lakhs Only) plus Tax at the applicable rates and reimbursement of out of pocket expenses to M/s. Thanigaimani & Associates, Cost Accountants, who has been appointed by the Board of Directors of the Company, for conducting the audit of the cost records of the Company for the financial year ending on March 31, 2022.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

RESOLVED FURTHER that the Board of Directors be and are hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this resolution.

By order of the Board of Directors
for Indo-Tech Transformers Limited

Place : Kancheepuram
Date : June 22, 2021

Sathyamoorthy A
Company Secretary
Membership No : 34130

Notes:

- (1) A statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts with respect to the special business set out in the Notice is annexed.
- (2) The relevant details, pursuant to Regulations 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment / re-appointment at this AGM forms part of the explanatory statement. Requisite declarations have been received from Director/s for seeking appointment/re-appointment.
- (3) Considering the ongoing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its circular dated January 13, 2021 read together with circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
- (4) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- (5) Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to cssrinath.gp@gmail.com with a copy marked to the Company at investor@indo-tech.com and to its RTA at enotices@linkintime.co.in.
- (6) The Securities and Exchange Board of India ("SEBI") vide its circular dated January 15, 2021 read with May 12, 2020 ("SEBI Circulars") has granted relaxation in respect of sending physical copies of annual report to shareholders. In compliance with the aforesaid Circulars, the Notice of the Annual General Meeting along with the Annual Report for the financial year 2020-21 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2020-21 will also be available on the Company's website www.indo-tech.com; websites of the Stock Exchanges. i.e. www.bseindia.com and www.nseindia.com and on the website of Link Intime India Private Limited at instavote.linkintime.co.in. Members can attend and participate in the Annual General Meeting through VC/ OAVM facility only.
- (7) Those Shareholders whose email IDs are not registered can get their Email ID registered as follows:
 - Members holding shares in demat form can get their E-mail ID registered by contacting their respective Depository Participant.
 - Members holding shares in the physical form can get their E-mail ID registered by writing to the Registrar and Share Transfer Agent-Link InTime India Pvt Ltd (RTA) on their email id enotices@linkintime.co.in.
- (8) In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 & 21 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by Institute of Company Secretaries of India, the Company is pleased to provide e-voting facility to its members to cast their right to vote electronically on the resolutions mentioned in the notice of the 29th AGM.
- (9) Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of Wednesday, September 01, 2021 may cast their vote by remote e-Voting. **The remote e-Voting period commences on Sunday, September 05, 2021 at 9.00 a.m. (IST) and ends on Tuesday, September 07, 2021 at 5.00 p.m. (IST).** In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (10) The remote e-Voting module shall be disabled by facility provider for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Instructions and other information relating to e-voting is annexed as Annexure-A to this notice.
- (11) The members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the notice. Instructions and other information for members for attending the AGM through VC/OAVM is annexed as Annexure-B to this notice.
- (12) Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.

- (13) Members will be provided with the facility for voting through electronic voting system during the video conferencing proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the member has already cast the vote through remote e-Voting.
- (14) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility. The e-voting module during the AGM shall be disabled by facility provider for voting 15 minutes after the conclusion of the Meeting.
- (15) The Company has engaged services of Link Intime India Pvt. Ltd. to provide e-voting facility. The Company has appointed Mr G P Srinath of M/s G P Srinath & Associates, Practicing Company Secretaries, Chennai as Scrutinizer for conducting the e-voting process in fair and transparent manner.
- (16) The Scrutinizer will submit his report to the Chairman or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges on which the Company's shares are listed and will also be displayed on the Company's website at www.indo-tech.com.
- (17) Members are encouraged to submit their questions in advance with regard to the financial statements, operation of the company or the business specified in this notice of AGM at least Seven (7) days before the date of the AGM on the email ID: investor@indo-tech.com, from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number.
- (18) Members who would like to express their views/ask questions as a speaker at the Meeting may preregister themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at least Seven (7) days before the date of the AGM on the email ID: investor@indo-tech.com. Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM.
- (19) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members at the Annual General Meeting.
- (20) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 02, 2021 to Wednesday, September 08, 2021 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (21) Members are requested to quote their Registered Folio Number or Demat Account Number & Depository Participant (DP) ID number on all correspondences with the Company. The transfer deeds, communication for change of address, bank details, ECS details (if any) should be lodged with the Registrar & Share Transfer Agents ('RTA') of the Company, Link Intime India Private Limited. Members whose shares are held in the electronic mode are requested to intimate the same to their respective Depository Participants.
- (22) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
- (23) The Company is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs ('MCA'), Government of India, has by its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively; permitted companies to send official documents to their shareholders electronically as part of its Green Initiative in Corporate Governance. Recognizing the spirit of the Circular issued by the MCA, we are sending documents like Notice convening the General Meetings, Financial Statements, Directors' Report, Auditors' Report, etc., to the email address provided by you with your depositories.
- (24) Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 2 and 3: Brief Profile of Directors

Information for re-appointment/ appointment of Directors as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Name of the Director	Shridhar Gokhale	Leena M Sathyanarayanan
DIN	08349732	08947423
Age	51	50
Date of appointment	February 07, 2019	November 05, 2020
Qualification	Post Graduate in Electrical Engineering from Madhav Institute of Technology & Science (MITS). Senior Management Program from IIM Calcutta.	Graduate in B. Com Qualified Chartered Accountant, ACS, Grad. CWA & CISA (US)
Experience and Expertise	Over 29 years of experience in Transformers Industry mainly in Production, PPC, Maintenance, Projects and Marketing.	Over 15 years of experience in manufacturing industry mainly in accounting & finance, product planning, business integration and systems implementation. Served various key role in NBFC Sector including Business Controller for Europe & Americas at Elgi Equipments and Chief Financial Officer at Craftsman Automation Pvt Ltd. Her financial expertise, strategic decision making, professional skills and experience in the manufacturing sector meets the relevant skills and capabilities required for the role.
No. of shares held as on March 31, 2021	2750	Nil
Directorship in other public Companies	Nil	Nil
Chairman / Member of Committees of Company	Member of Stakeholder Relationship Committee	Member of Audit Committee

None of the Directors and Key Managerial personnel of the company and their relatives are concerned or interested, financial or otherwise, in the resolution.

Item No. 4: Approval of Related Party Transaction

Section 188 of the Companies Act, 2013 and Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re- enactment(s) thereof, for the time being in force) and Companies (Indian Accounting Standards) Rules, 2015 (IND AS 24) provides that for entering into Contracts/Arrangement/Transactions as prescribed in rules framed in this regard with the related party, the Company must obtain prior approval of the Board of Directors and in case such transactions are exceeding the overall limit prescribed in the rules framed in this regard, prior approval of the shareholders by way of a resolution must be obtained. Further regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 provided that all material related party transactions (i.e. transactions exceeding ten percent of annual consolidated turnover) require the approval of the Members by way of resolution.

Your company always seeks to enter into transactions with related parties in the ordinary course of business and at arm's length basis. However the aggregate of all transactions with the related parties may exceed the threshold limits stipulated in the aforesaid Regulations, the Company is under an obligation to seek the approval of its shareholders by way of Ordinary resolution. It is therefore, proposed to seek approval of such transactions which are either existing or proposed to be entered into by the Company with related parties by way of ordinary resolution.

Board of Directors and Audit Committee of the Company have approved the proposal to enter into transactions with the related parties at their respective meeting held on February 10, 2021. Since the proposal is in the best interest of the company, your directors recommends for the approval.

The term "Related Party" referred in this context shall derive its meaning as stipulated under the Companies Act, 2013 and Companies (Indian Accounting Standards) Rules, 2015.

Pursuant to rule 15(3) of Companies (Meetings of Board and its Powers) Rules, 2014 the details of transactions are given below:

S. No	Name of the related party	Relationship	Nature of transaction	Maximum value of transaction to be entered during FY 2021-22
1	Shirdi Sai Electricals Limited	Holding Company	<ul style="list-style-type: none"> ➤ Sale, purchase or supply of any goods or materials ➤ Selling or otherwise disposing of or buying property of any kind ➤ Leasing of property of any kind ➤ Availing or rendering of any services 	Rs 100 Crores
2	Prolec-GE Internacional S. de R L. de. C. V	Promoter	<ul style="list-style-type: none"> ➤ Re-imbusement of expenses based on the agreement entered into by and between the Company and Promoter ➤ Sale, purchase or supply of any goods or materials. ➤ Availing or rendering of any services ➤ Usage of Licensed Marks 	Rs 20 Crores
3	All group entities which are related party to the Company.	Associate(s)	<ul style="list-style-type: none"> ➤ Sale, purchase or supply of any goods or materials. ➤ Availing or rendering of any services 	Rs 50 Crores
4	Any other person/ entity which is a Related Party			

Except Mr.N. Visweswara Reddy and Mr. Sharat Chandra Kolla, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution.

Item No. 5: Ratification of the remuneration of Cost Auditor for FY 2020-21

Mr. M J Gopalakrishnan, Cost Accountant, who was appointed as the Cost Auditor for the Financial Year 2020-21 at the Board Meeting of the Company held on June 30, 2020 and whose remuneration has been ratified on the Annual General Meeting held on October 16, 2020, has tendered his letter of resignation as cost auditors of the company on June 02, 2021 on account of his personal reasons.

Pursuant to the section 148 of the Companies Act, 2013 read with Rule 6 of the Companies (Cost Records and Audit) Rules, 2014), any casual vacancy caused due to resignation of cost auditor shall be filled in by the Board within a period of 30 days from the occurrence of such vacancy by appointing another cost auditor in place of the resigning auditor. Accordingly based on the recommendation of the Audit Committee, Board of Directors at their Meeting held on June 22, 2021 appointed M/s. Thanigaimani & Associates, Cost Accountants as Cost Auditor for the Financial year 2020-21 at a remuneration of Rs. 2,00,000/- (Rupees Two Lakhs Only) plus Goods and Services Tax at the applicable rates and reimbursement of out of pocket expenses.

Rule 14 of the Companies (Audit and Auditors) Rules 2014 further stipulates that the remuneration payable to the Cost Auditor is required to be ratified by the members at their general meeting. Hence this resolution is proposed.

None of the Directors and Key Managerial personnel of the company and their relatives are concerned or interested, financial or otherwise, in the resolution.

Item No. 6: Ratification of the remuneration of Cost Auditor for FY 2021-22

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and based on the recommendation of the Audit Committee, Board of Directors at their Meeting held on June 22, 2021 appointed M/s. Thanigaimani & Associates, Cost Accountants as Cost Auditor for the Financial year 2021-22 at a remuneration of Rs. 2,00,000/- (Rupees Two Lakhs Only) plus Goods and Services Tax at the applicable rates and reimbursement of out of pocket expenses.

Rule 14 of the Companies (Audit and Auditors) Rules 2014 further stipulates that the remuneration payable to the Cost Auditor is required to be ratified by the members at their general meeting. Hence this resolution is proposed.

None of the Directors and Key Managerial personnel of the company and their relatives are concerned or interested, financial or otherwise, in the resolution.

Annexure – A

INSTRUCTIONS FOR SHAREHOLDERS TO VOTE ELECTRONICALLY

Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINKINTIME, CDSL. Click on e-Voting service provider name to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.

Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.	<ol style="list-style-type: none"> Open the internet browser and launch the URL: https://instavote.linkintime.co.in <ul style="list-style-type: none"> Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: - <ol style="list-style-type: none"> User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. <ul style="list-style-type: none"> Shareholders/ members holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter). Click “confirm” (Your password is now generated). Click on ‘Login’ under ‘SHARE HOLDER’ tab. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon. E-voting page will appear. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link). After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as **‘Custodian / Mutual Fund / Corporate Body’**. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **‘Custodian / Mutual Fund / Corporate Body’** login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:

- o Click on **‘Login’** under **‘SHARE HOLDER’** tab and further Click **‘forgot password?’**
- o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on **‘Submit’**.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.

- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.
 - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
 - During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions (‘FAQs’)** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022-4918 6000.

InstaVote Support Desk

Link Intime India Private Limited

Annexure – B**INSTRUCTIONS FOR SHAREHOLDERS/ MEMBER TO ATTEND THE ANNUAL GENERAL MEETING THROUGH INSTAMEET (VC/OAVM)****Process and manner for attending the Annual General Meeting through InstaMeet:**

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

▶ Select the “**Company**” and ‘**Event Date**’ and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

▶ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 7 (seven) days in advance with the company on the investor@indo-tech.com created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

InstaMeet Support Desk

Link Intime India Private Limited

DIRECTORS' REPORT

Your Directors are pleased to present the Company's **29th Annual Report** together with the Audited Financial Statements for the financial year ended **March 31, 2021**.

FINANCIAL RESULTS

Brief Financial Highlights with comparison of previous financial year are as follows:

(Rupees in lakhs)

Particulars	Current Year 2020-2021	Previous Year 2019-2020
Revenue from Operations	20,599.91	20,532.52
Other Income	291.70	542.47
Total Income	20,891.61	21,074.99
Earnings before Depreciation, Interest & Tax	1,132.90	507.21
Less: Interest, Depreciation & Amortization Expenses	497.61	497.51
Earnings Before Tax	635.29	9.70
Less: Tax Expense/(Benefit)	6.71	(182.33)
Earnings After Tax	628.58	192.03
Other Comprehensive Income	41.76	(56.21)
Total Comprehensive income	670.34	135.82

Financial results for the financial year ended March 31, 2021 are prepared in compliance with the Indian Accounting Standards (Ind- AS) prescribed under Section 133 of the Companies Act, 2013.

COVID-19 Impact

The COVID-19 pandemic has emerged as a global challenge, creating disruption across the world. The outbreak of the deadly COVID-19 virus and the subsequent lockdown imposed across the country affected business operations. The Company's operations were hit substantially during the first two months of Q1 2020-21. Though the lockdown has adversely affected the business and overall operations, Company has utilized this break period for upskilling its workforce by conducting various training and skill development programmes by engaging several internal and external trainers through remote mode.

In this period of uncertainty, your Company's prime focus was to collaborate and manage the crisis for its employees, customers, partners and the community to build the moral strength. Your company ensured business continuity without compromising on safety of the employees.

Your Company maintained business continuity by amplifying customer engagement through technology and leveraging digital solutions for product service and testing and even commissioning of certain projects by deputation of personnel after ensuring the safety precautions in compliance to covid protocol and adequate approvals.

On the other side, the significant effect of pandemic on the commodity market globally led to steep rise of commodity prices including Copper, Steel & Oil which are the primary raw materials of your company. As per Commodity Markets Outlook by World Bank in April 2021, the metal prices are forecast to rise nearly 30 percent in 2021 before dropping back in 2022. This poses as major cost challenge to the industry.

The Company has been continuously creating awareness with help of Government health officials on all Covid guidelines issued from time to time and is encouraging and facilitating its workforce for Covid vaccination.

In the longrun, as vaccination drives are expedited all over the nation we are hoping that uncertainty of the anticipated third wave could be mitigated to a possible extent. The management is confident that the company is equipped and prepared to effectively handle the challenges, if any posed in future.

OPERATIONAL PERFORMANCE

The prime focus of the Government of India for the Financial Year 2020-21 was to tackle the Covid19 pandemic. However, the Government of India and Reserve Bank of India has increased its Capex spending by reducing the interest rate and various other measures to support the industries to come out of the impact of pandemic and granted several relaxations to facilitate ease of business. The Government of India is implementing reforms towards a secure, affordable and sustainable energy system to power a robust economic growth.

Despite the extremely challenging market and limitations posed by the pandemic, the Company has reported annual revenue for FY 2020-21 INR 20,599.91 Lakhs which is 0.33% increase from previous year revenue of INR 20,532.52 Lakhs. The EBITDA for the FY 2020-21 stood at INR 1,132.90 Lakhs reporting a growth of 123.36% as compared to the EBITDA of INR 507.21 for the FY 2019-20. The Profit After Tax (PAT) for the FY 2020-21 stood at INR 628.58 Lakhs reporting a growth of 227.33% as compared to the PAT of INR 192.03 Lakhs for the FY 2019-20.

The impact of Covid-19 was felt across the economy and businesses. However, the product segment backed up the quality and balanced portfolio of orders, resulted in sustained position in the market and improved overall performance of the Company with focused initiatives countering the challenges posed by Covid-19 pandemic.

We continuously receive support from erstwhile parent company Prolec GE, Mexico to improve the operational performance. Our focus currently is to improve productivity, control the non-operational cost and deliver the best quality transformers. The price pressure is immense and it is impacting the entire industry. In the challenging environment, with improved sourcing strategies and cost optimization our focus is to improve revenue and optimize the margin in the coming years.

A detailed discussion on the performance of your company, industry structure, threats, opportunities, risks, future outlook and strategy is given separately in the Management's Discussion and Analysis section, which forms a part of this annual report.

CHANGE IN HOLDING/ PARENT COMPANY

Prolec GE Internacional, S.De. R.L. De C.V entered into a Share Purchase Agreement (the "SPA") with Shirdi Sai Electricals Limited on December 20, 2019 for sale/ transfer of 73,66,302 equity shares (constituting 69.36% of the total equity share capital) of the company. As a consequence to this SPA, Shirdi Sai Electricals Limited gave an open offer to the shareholders of the company and acquired 4,54,873 equity shares (constituting 4.28% of the total equity share capital) of the company under the open offer in compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations.

On September 03, 2020, the transfer of 73,66,032 equity shares (constituting 69.36% of the total equity share capital) from Prolec GE Internacional, S. De. R.L. De C.V to Shirdi Sai Electricals Limited has been completed.

Effective September 03,2020, Shirdi Sai Electricals Limited has become the promoter and holding company by controlling the majority shareholding of 78,20,905 equity shares (constituting 73.64% of the total equity share capital) of the Company.

This change in controlling stake opens numerous opportunities to the company as the holding company (SSEL) is one of the largest player in Distribution segment. Since, ITTL and SSEL have been positioned well in the respective transformer segments, a combination of SSEL and ITTL is expected to gain significant edge in the market.

Consequent to the change in controlling stake from Prolec GE to SSEL, the company has entered into a Transitional Trademark License Agreement for using the brand name "PROLEC" and shall pay 2.5% of the turnover as royalty for the brand usage to Prolec GE Internacional, S.De. R.L. De C.V.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company comprises of six experienced directors from diverse areas, which enables the Board to provide effective leadership to the Company. Composition of the Board is in conformity with the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the financial year the composition of the Board underwent the following changes:

Name	DIN	Nature of Change	Nature of Directorship	Effective Date
Mr. Gunjan Bhartia	03366633	Resignation	Non-Executive	June 24, 2020
Mr. M S Srinivasan	00261201	Resignation	Independent	August 07, 2020
Mr. Ajay Kumar Dhagat	00250792	Appointment	Independent	August 13, 2020
Mr. P V Krishna	02459872	Retirement	Independent	August 13, 2020
Ms. Tabassum M Wajid	06904452	Retirement	Independent	August 13, 2020
Dr. Sutanu Behuria	00051668	Appointment	Independent	August 19, 2020
Mr. N Visweswara Reddy	02996298	Appointment	Non-Executive	September 03, 2020
Mr. Sharat Chandra Kolla	08851423	Appointment	Non-Executive	September 03, 2020
Mr. Ricardo Suarez Garza	07194157	Resignation	Non-Executive	September 03, 2020
Ms. Leena M Sathyanarayanan	08947423	Appointment	Independent	November 05, 2020

Consequent to the change in the promoter/ holding company the aforesaid changes took place in the Board during the year.

The Board of Directors of the Company as on date of this report is as follows:

Mr. Visweswara Reddy – Chairman & Non-Executive Director

Mr. Shridhar Gokhale – Whole-Time Director

Mr. Sharat Chandra Kolla – Non-Executive Director

Mr. Ajay Kumar Dhagat – Independent Director

Dr. Sutanu Behuria – Independent Director

Ms. Leena M Sathyanarayanan – Independent Director

There were no changes in the composition of Key Managerial Personnel of the Company. The Key Managerial Personnel of the Company as on date of this report is as follows:

Mr. Shridhar Gokhale – Whole-Time Director

Mr. Saikrishnan C. P. – Chief Financial Officer

Mr. Sathyamoorthy A – Company Secretary

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met seven (7) times during the financial year. The said meetings were held on June 30, 2020; August 27, 2020; September 03, 2020; September 15, 2020; November 09, 2020; November 20, 2020 and February 10, 2021.

The provisions of Companies Act, 2013 and Listing Regulations were adhered to while considering the time gap between two meetings. The necessary quorum was present for all the meetings.

BOARD COMMITTEES

Board Committees plays a vital role in improving the Board effectiveness in areas where more focus and discussions are required. Board has constituted three Committees in accordance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and its compositions are as follows:

(i) Audit Committee

The composition of the Audit Committee as on date of this report:

Mr. Ajay Kumar Dhagat, Chairman

Dr. Sutanu Behuria, Member

Mr. Sharat Chandra Kolla, Member

Ms. Leena M Sathyanarayanan, Member

(ii) Nomination and Remuneration Committee

The composition of the Nomination and Remuneration Committee as on date of this report:

Mr. Ajay Kumar Dhagat, Chairman

Dr. Sutanu Behuria, Member

Mr. Sharat Chandra Kolla, Member

(iii) Stakeholders' Relationship Committee

The composition of the Stakeholders' Relationship Committee as on date of this report:

Mr. Sharat Chandra Kolla, Chairman

Mr. Ajay Kumar Dhagat, Member

Mr. Shridhar Gokhale, Member

Details in respect of each Committee during the year are provided in the Corporate Governance Report forming part of the Directors' Report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3) (c) and 134 (5) of the Act, that;

- a) In the preparation of the annual financial statements for the financial year ended March 31, 2021 the applicable accounting standards had been followed along with proper explanation relating to material departures;

- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2020-21 and of the statement of Profit and Loss of the Company for the year under review;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the accounts for the financial year ended March 31, 2021 on a 'going concern basis';
- e) The Directors had laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and were operating effectively;
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

NOMINATION AND REMUNERATION POLICY

In terms of Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Company's policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

As a policy, the sitting fees paid to the independent directors was Rs. 30,000/- per meeting per person for attending the Board and Audit Committee Meetings and Rs. 5,000/- per meeting per person for attending Stakeholders Relationship Committee and Nomination & Remuneration Committee meetings.

COMMENTS ON AUDITORS' REPORT / SECRETARIAL AUDITORS REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. ASA & Associates LLP, Statutory Auditors, in their report and by M/s. J B Bhawe & Co., Company Secretaries in their secretarial audit report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not provided any loans, guarantee or made any investments covered under section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF COMPANIES ACT, 2013

The particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013, is appended as Annexure "I".

ENCUMBERANCE OF PROMOTER'S SHAREHOLDING

Pursuant to the enhancement of credit facility with State Bank of India upto a total limit (both fund based and non-fund based) of Rs. 50 Crores, one of the conditions of the sanction mandated pledge of the shares held by the Promoter M/s. Shirdi Sai Electricals Limited. In this regard, 30% of the Total Equity Share Capital of the company (i.e.) 31,86,000 Shares held by M/s Shirdi Sai Electricals Limited has been pledged in favour of SBICAP Trustee Company Limited ("Share Pledge Trustee") towards the enhanced facility of Rs. 50 Crores sanctioned by State Bank of India.

SECRETARIAL AUDITORS / SECRETARIAL AUDIT REPORT

Pursuant to provisions of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments thereto, your Company engaged the services of M/s. J B Bhavé & Co., Company Secretaries, Pune to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2021. The Secretarial Audit Report in Form MR-3 is given in Annexure – II, forming part of this report.

DIVIDEND

Considering the accumulated losses and keeping in mind to source to finance the future business plans with internal funds, no dividend has been recommended by the Board of Directors of the Company for Financial Year 2020-21.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

BOARD EVALUTION

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Act and the Listing Regulations. Further, the Independent Directors, at their exclusive meeting held on February 10, 2021, reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the Listing Regulations.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report. Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report as Annexure III.

CORPORATE GOVERNANCE

Your Company is committed to good corporate governance aligned with the best corporate practices. A separate Report on Corporate Governance is provided as a part of this Annual Report, besides the Management Discussion and Analysis.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions relating to the Corporate Social Responsibility (CSR) were not applicable to the Company during the Financial Year 2020-21. However, the reported profits of the Financial Year 2020-21 brings the company into the purview of CSR provisions. Accordingly, the Company shall ensure compliance of CSR provisions with respect to constitution of the CSR Committee, CSR policy formulation, etc., in the current financial year 2021-22. Apart from the regulatory requirements, the company's approach towards CSR is holistic and integrated with the core business strategy for addressing social and environmental impacts of business. The Company is committed to undertake the CSR activities to address the well-being of all stakeholders and not just the company's shareholders.

STATUTORY AUDITORS

Pursuant to Section 139 of the Companies Act, 2013, M/s. ASA & Associates LLP, Chartered Accountants (Firm Registration No. 009571N/N500006), have been appointed as Statutory Auditors for a period of five (5) years commencing from financial year 2020-21 and shall hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2025.

During the year, M/s B S R & Co. LLP, Chartered Accountants, (ICAI Firm Registration No. 101248W/W-100022) the erstwhile statutory auditors of the company completed their second five year term at the preceding annual general meeting of the company held on October 16, 2020.

FIXED DEPOSITS / PUBLIC DEPOSITS

Your Company has not accepted any fixed deposits or Public Deposits covered under Chapter V of the Companies Act, 2013 and, as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

INTERNAL FINANCIAL CONTROLS

The Company has an adequate system of Internal Financial Controls in place with reference to the financial statements. Audit Committee periodically reviews the Internal Financial Control and Risk Assessment System of the Company. During the year, Internal Financial Controls were tested and no material weaknesses in the design or operating effectiveness were observed.

COST AUDITORS

Mr. M J Gopalakrishnan, Cost Accountant, who was appointed as the Cost Auditor for the Financial Year 2020-21 at the Board Meeting of the Company held on June 30, 2020 and whose remuneration was ratified on the Annual General Meeting held on October 16, 2020, tendered his letter of resignation as cost auditors of the company on June 02, 2021 on account of his personal reasons.

In order to fill the casual vacancy caused due to resignation of Mr. M J Gopalakrishnan, based on recommendation of the Audit Committee, the Board of Directors of the Company on their meeting held on June 22, 2021 appointed M/s Thanigaimani & Associates, Cost Accountants (Firm Registration No: 101899) as Cost Auditor of the Company for the financial year 2020-21 to fill the casual vacancy, on a remuneration as mentioned in the Notice convening the 29th Annual General Meeting for conducting the audit of the cost records maintained by the Company.

With respect to the current financial year 2021-22, pursuant to section 148 and rules made there under and based on the recommendation of the Audit Committee, your Board has approved the appointment of M/s. Thanigaimani & Associates, Cost Accountants, as the Cost Auditor of the Company for the financial year 2021-22, on a remuneration as mentioned in the Notice convening the 29th Annual General Meeting for conducting the audit of the cost records maintained by the Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has a "Vigil Mechanism (Ombuds & Open Reporting Procedure)" to provide an avenue to stakeholders, including employees and directors, to report concerns related to any actual or potential violation of law or violation of the Company's Code of conduct. The mechanism provides for adequate safeguards against victimization of Director(s) and Employee(s) who avail of the mechanism.

The Whistle Blower Policy is explained in corporate governance report and also placed on the notice board and the website of the Company at www.indo-tech.com

RISK MANAGEMENT FRAMEWORK

The Company has formulated a Risk Management policy to identify, assess, monitor and mitigate various risks to the Company. Identified risks and the mitigation plans are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

ANNUAL RETURN

As per provisions of Section 92 (3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the copy of the draft Annual Return in the Form MGT-7 is hosted on website of your Company at www.indo-tech.com

SECRETARIAL STANDARDS

The Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India during the year.

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

The information as prescribed under Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is as follows:

A. CONSERVATION OF ENERGY

Your Company has constantly been emphasizing on optimization of energy consumption in every possible area. Further, your company acknowledges that power conservation is a necessity not only for future availability, but also for environmental safety. Various avenues are being explored at periodic interval and after careful analysis, planning measures are being initiated to minimize the consumption of energy by optimum utilization of energy consuming equipment. Your Company is not a power intensive industry and hence the scope for saving of energy is limited. However, the following energy saving measures has been carried out.

- a) Your Company has 2 windmills in Tirunelveli, Tamil Nadu. The Company is adjusting the units generated against consumption at factory. This has reduced per unit energy cost to the Company.
- b) Your company has in place adequate safeguards against excessive consumption and wastage of energy, in form of energy-friendly apparatus, modern technologies as well as minimal usage mechanism.

B. TECHNOLOGY ABSORPTION RESEARCH & DEVELOPMENT:

This year your company has successfully conducted short circuit test on 25 MVA Transformer which was part of Metro Rail project at Central Government's CPRI laboratory at Bengaluru. This demonstrate your company's capability to produce robust and performing product using best of technology available. We shall continue to focus on this area in times to come.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company's exposure to foreign currency risk at the end of the reporting period mentioned in Note 28 to the financial statements for the year ended March 31, 2021.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee ("ICC") has been set up to redress the complaints received regarding sexual harassment. All employees are covered under this policy.

During the financial year 2020-21, there were no cases reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

SUBSIDIARY COMPANIES

As at March 31, 2021 there is no subsidiary company.

ACKNOWLEDGEMENTS

Your Directors express their appreciation of the continued cooperation of Governments and Government agencies, bankers, customers, suppliers and also the valuable assistance and guidance received from Shirdi Sai Electricals Limited, Xignux, Prolec GE and all the shareholders. Your Directors also wish to thank all employees for their contribution, support and continued cooperation during the financial year and are deeply grateful to the shareholders of the Company for the confidence and faith.

For and on behalf of the Board of Directors
INDO-TECH TRANSFORMERS LIMITED

Sharat Chandra Kolla
Director
DIN : 08851423

Shridhar Gokhale
Whole-Time Director
DIN : 08349732

Place: Kancheepuram
Date : June 22, 2021

Annexure - I**Form No. AOC-2**

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

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

1. Details of contracts or arrangements or Transactions not at arm's length basis : Nil
2. Details of material contracts or arrangement or transactions at arm's length basis :

The contracts or arrangements or transactions entered with the related parties during the financial year 2020-21 were not material and the same were disclosed in the notes to accounts forming part of the financial statements for the year ended March 31, 2021.

For and on behalf of the Board of Directors

INDO-TECH TRANSFORMERS LIMITED

Place : Kancheepuram
Date : June 22, 2021

Sharat Chandra Kolla
Director
DIN:08851423

Shridhar Gokhale
Whole-Time Director
DIN : 08349732

Annexure - II
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021

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

To,
The Members

M/S. INDO-TECH TRANSFORMERS LIMITED

Survey No. 153-210, Illuppapattu Village
Near Rajakulam, Kancheepuram (Dist)
Kancheepuram - 631561
Tamil Nadu

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indo-Tech Transformers Limited. (Hereinafter called "the Company").

Secretarial Audit was conducted for the period from 1st April 2020 to 31st March 2021, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances of the Company and expressing my opinion thereon. I have been engaged as Secretarial Auditor of the Company to conduct the Audit of the Company to examine the compliance of Companies Act, SEBI Regulations and the other laws listed below.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to spread of the COVID-19 pandemic, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2021 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and legal compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have conducted online verification and examination of records according to the provisions of the following list of laws and regulations, as facilitated by the Company from time to time, due to Covid-19 pandemic and lockdown situation in the State of Tamil Nadu and in the whole of India for the purpose of issuing this report for the financial year ended on 31st March 2021

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company

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

- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities And Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014; **[Not applicable during the Audit Period]**
 - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not applicable during the Audit Period]**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable during the Audit Period]**
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **[Not applicable during the Audit Period]**
- (vi) Other Applicable Laws: As informed by the management, there are no other laws applicable specifically to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

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

I further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

During the year under report:

The promoter Prolec GE had entered into Share Purchase Agreement (SPA) with Shridi Sai Electricals Limited (Acquirer). Pursuant to SPA, the Acquirer had agreed to acquire 73,66,032 equity shares of the Company, representing 69.36% of the equity share capital at a price of INR 94.51 per share from the existing holding company, Prolec GE.

Subsequent to SPA, the acquirer had made a mandatory Open Offer Announcement pursuant to Regulation 3(1) and 4 of the SEBI (Substantial Acquisition of Shares And Takeovers) Regulations, 2011 to acquire voting rights in excess of 25% of the equity share capital of the Company. The open offer was completed in September 2020 and now Shridi Sai Electricals Limited is the new promoter of the Company holding 73.64 % shares along with its Persons Acting in Concert (PAC) within the meaning of the said Regulations.

This Report should be read along with our letter of even date annexed as Annexure and forms part of this Report for all purposes.

For J B Bhave & Co.
Company Secretaries

Jayavant B. Bhave
Proprietor
FCS: 4266 CP: 3068

Place : Pune
Date : June 22, 2021

PR NO: 1238/2021
UDIN:F004266C000491819

**ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF INDO-TECH TRANSFORMERS LIMITED (2020-2021)
AUDITORS' RESPONSIBILITY**

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

In accordance with the ICSI Auditing Standards (CSA1 to CSA4) I wish to state as under-

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. Due to COVID-19 pandemic and subsequent lockdown declared by the Central, State and Local governments, physical verification of documents/ registers/ papers was not possible and hence, we have relied on the scanned copies / emails/ digitally accessible data, information, registers, documents and papers provided by the Company for carrying out the Secretarial Audit and to that extent our verification of documents and records might have been impacted.

For J B Bhave & Co.
Company Secretaries

Jayavant B. Bhave
Proprietor
FCS: 4266 CP: 3068

Place : Pune
Date : June 22, 2021

PR NO: 1238/2021
UDIN:F004266C000491819

**Annexure - III
Particulars of Employees**

a) Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Remuneration paid to Whole Time Director(s):

Rupees in lakhs

Name of the Director	Title	Remuneration in FY 2020-21	% increase in FY 2020-21 as Compared to FY 2019-20	Ratio of remuneration to Median Remuneration of Employees
Shridhar Gokhale	WTD	83.86	Nil	15.78

Remuneration paid to Independent Directors:

Rupees in lakhs

Name of the Director	Remuneration in FY 2020-21	Remuneration in FY 2019-20	% increase of remuneration (FY 2020-21 over FY 2019-20)
M S Srinivasan	0.65	2.35	NA
P V Krishna	0.65	2.35	NA
Tabassum M Wajid	0.40	1.20	NA
Ajay Kumar Dhagat	3.35	-	NA
Sutanu Behuria	3.20	-	NA
Leena M Sathyanarayanan	1.20	-	NA

Remuneration paid to Key Managerial Personnel (KMP):

Rupees in lakhs

Name of the KMP	Title	Remuneration in FY 2020-21	% increase of remuneration in FY 2020-21 as Compared to FY 2019-20
Saikrishnan C.P	CFO	35.59	4.70
Sathyamoorthy A	CS	21.22	20.00

- The number of employees on the rolls of the Company as of March 31, 2021 was 293 and as on March 31, 2020 were 295.
- The median remuneration of employees for the month of March 2021 was Rs. 38,152 and March 2020 was Rs. 40,264.
- The operating revenue for FY 2020-21 is Rs. 20,600 lakhs whereas for FY 2019-20 stood at Rs. 20,533 lakhs. The net profit for the FY 2020-21 is Rs. 628.58 lakhs whereas the net profit for the FY 2019-20 was Rs. 192.03 lakhs.
- The aggregate remuneration of employees for the FY 2020-21 is Rs. 2,251.70 lakhs and for FY 2019-20 was Rs. 2,158.13 lakhs. The aggregate remuneration of whole-time director and key managerial personnel for the FY 2020-21 is Rs. 140.68 lakhs (which includes retention bonus) and for the FY 2019-20 was Rs. 117.98 lakhs.
- The key parameters of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

b) Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

No employee of the Company other than Mr. Shridhar Gokhale, Whole-Time Director was in receipt of remuneration, in excess of Rs 60 Lakhs during the financial year 2020-21.

(I) Employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than Rupees One crore and Two lakhs:

Nil

(II) Top Ten Employees in terms of Remuneration (Annual CTC) as on March 31, 2021

Rupees in lakhs

S. No	Name	Current Designation	Remuneration in Rs. (Annual CTC)	Qualification	Experience	Date of Joining	Age	Last employment	% of Equity Share
1	Shridhar Gokhale	Chief Executive Officer	83.86	ME (Elec) SMP (IIMC)	29	11-Jun-13	51	CG Power Systems Indonesia-Chief Operating Officer	0.00026
2	M Purushothaman	Head- Commercial	53.74	B.E. (EEE)	29	10-Dec-18	54	Vice President - Transformers & Rectifiers (India)	0.00001
3	R Dayanand	Head - Operation	45.64	BE-Mech, DPM	27	1-Jul-96	51	Production Executive - Crompton Greaves	Nil
4	Mary Mody Karammel	Head - Design	42.00	B.E. (EEE)	29	25-Feb-20	53	General Manager-EMCO Ltd	Nil
5	Saikrishnan C P	CFO	35.59	ICWA	25	3-Oct-18	49	Manager - Olam Information Services Pvt Ltd	Nil
6	Tusar Kanti Giri	Senior Manager-SCM	31.80	B.E.MECH	17	2-Jan-17	39	Manager Operation-ECOTRAFO MALAYSIA SDN BHD - Malaysia	Nil
7	Fredrick Castro	Head- HR	30.68	M.A,B.L, PGDBA	34	21-Nov-12	60	Deputy general Manager - HR & IR - Shasun Pharmaceuticals Ltd	Nil
8	Vivek Sarkar	Regional Manager - Sales & Marketing (West)	26.90	BE	25	24-Sep-20	49	AGM- CGL Mumbai	Nil
9	Manish Kumar Gupta	Regional Manager - Sales & Marketing (South I)	25.00	BE, PGDBA	17	8-Oct-20	41	Senior Sales Manager - GE India Industrial Private limited	Nil
10	Rahul Kumar Chauhan	Regional Manager - Sales & Marketing (North)	25.00	BTECH	16	8-Oct-20	37	Manager - GE India Industrial Private limited	Nil

(III) Employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rupees Eight lakhs Fifty thousand only per month

Nil

(IV) Employed throughout the financial year or part thereof, was in receipt of remuneration in that year which is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

Nil

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on ethics envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operation and all its interactions with the stakeholders. The Company is in compliance with the requirements on Corporate Governance as they stood during FY 2020-21. The Company provides information on various issues concerning the Company's business and financial performance to its shareholders.

The Company's philosophy on Corporate Governance revolves around principles of ethical governance and is aimed at conducting business in an efficient and transparent manner in meeting its obligations to shareholders and other stakeholders. We consider stakeholders as partners in our success and we remain committed to maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. We believe that any business conduct can be ethical only when it core values doesn't compromise on the Integrity, Transparency and continuous improvement towards stakeholder preferences.

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is given below:

GOVERNANCE STRUCTURE

Governance structure comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. The Company has a strong legacy of fair, transparent and ethical governance practices. This brings about an effective environment for value creation.

BOARD OF DIRECTORS

The Board of Directors of the Company has an optimal combination of Executive, Non-Executive and Independent Directors who have in-depth knowledge of business, in addition to the expertise in their areas of specialization. The Board of Directors has the primary responsibility to oversee the operations of the Company. The Board comprises of Six Directors viz., three Independent and three Non-Independent, out of which, one Independent Director is a Woman Director. The Chairman of the Board is a Non- Executive and Non-Independent Director. The composition of Board is as follows:

Director	Category	DIN	DOA	Committee memberships (excluding in the Company)		Directorship(s) held in Indian Public Limited Companies	No of shares held in the Company
				Chairman	Member		
Mr. Ricardo Suarez Garza ¹	C & NED	07194157	27/05/15	--	--	--	--
Mr. M S Srinivasan ²	NED (I)	00261201	01/08/09	--	--	--	--
Mr. P V Krishna ³	NED (I)	02459872	27/05/15	--	--	--	--
Ms. Tabassum M Wajid ⁴	NED (I)	06904452	25/03/15	--	--	--	--
Mr. Gunjan Bhartia ⁵	NED	03366633	24/09/18	--	--	1	--
Mr. Shridhar Gokhale	WTD	08349732	07/02/19	--	--	--	2750
Mr. Visweswara Reddy	C & NED	02996298	03/09/20	--	--	1	--
Mr. Sharat Chandra Kolla	NED	08851423	03/09/20	--	--	--	--
Mr. Ajay Kumar Dhagat	NED (I)	00250792	13/08/20	1	2	4	--
Dr. Sutanu Behuria	NED (I)	00051668	19/08/20	--	9	3	--
Ms. Leena M Sathyanarayanan	NED (I)	08947423	05/11/20	--	--	--	--

¹ Mr. Ricardo Suarez Garza, Director resigned with effect from September 03, 2020

² Mr. M S Srinivasan, Independent Director resigned with effect from August 07, 2020

³ Mr. P V Krishna, Independent Director retired with effect from August 13, 2020

⁴ Ms. Tabassum M Wajid, Independent Director retired with effect from August 13, 2020

⁵ Mr. Gunjan Bhartia, Director resigned with effect from June 24, 2020

Notes:

- I. Category: C-Chairman, NED – Non-executive Director, WTD- Whole-Time Director, NED (I) – Non-executive Director and Independent.
- II. The Directorships held by Directors as mentioned above, do not include Alternate Directorships, Directorships of Foreign Companies, Section 8 Companies and Private Limited Companies.
- III. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all companies in which they are Directors.

MATRIX OF SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD

The Board of Directors of the company do possess fair level of skills/expertise/competencies, which are essential for the functioning of the Company in an effective manner

- i) Business Knowledge - understand the Company's business, policies, and culture (including its mission, vision, values,

goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates

- ii) Behavioral Skills - attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders
- iii) Strategic thinking and decision making
- iv) Law & policies - Awareness of the existing law and economical policies applicable to the Company thereby ensuring proper legal and statutory compliances and appropriate application of policies to the advantage of the Company.
- v) Financial Expertise - Expertise in accounting and financial control functions. Possessing analytical skills. Expertise in preparation of financial strategies for the long term growth of the business of the Company
- vi) Technical/Professional skills and specialized knowledge to assist the ongoing aspects of the business

Director Name	Skills / Expertise/ Competence
Mr. Shridhar Gokhale	Business knowledge, industry experience, behavioral skills, strategic decision making, law & policies and technical/ professional skills
Mr. Visweswara Reddy	Business knowledge, industry experience, behavioral skills, strategic decision making, law & policies and technical skills/ professional skills
Mr. Sharat Chandra Kolla	Business knowledge, industry experience, behavioral skills, strategic decision making, law & policies and technical skills/ professional skills
Mr. Ajay Kumar Dhagat	Business knowledge, industry experience, leadership, behavioral skills, strategic decision making, financial expertise, law & policies and technical skills/ professional skills
Dr. Sutanu Behuria	Business knowledge, behavioral skills, strategic decision making, financial expertise, law & policies and technical skills/ professional skills
Ms. Leena M Sathyanarayanan	Behavioral skills, strategic decision making, financial expertise and technical skills/ professional skills

MEETINGS OF BOARD OF DIRECTORS

Frequency: The Board meets once in every quarter to review the quarterly results and other items of the Agenda. Whenever necessary, additional meetings are held. In case of business exigencies or urgency of matters, decisions will be taken on the basis of resolutions passed by circulation and the same will be confirmed in the next Board / Committee Meeting.

Meetings Calendar: The probable dates of the Board / Committee Meetings for the forthcoming year are decided well in advance in order to facilitate and assist the Directors to plan their schedules for the Meetings. The indicative annual calendar of the Meetings forms part of this Report.

Board Meeting Location: The location of the Board/Committee Meetings is informed well in advance to all the Directors. Each Director is expected to attend the Board /Committee Meetings.

Notice and Agendas distributed in advance: The Company's Board / Committees are presented with detailed notes, along with the agenda papers, well in advance before the Meeting. The Agendas for the Board/Committee Meetings are set by the Company Secretary in consultation with the Chairman of the Board / Committees. All material information are incorporated in the Agenda for facilitating meaningful and focused discussions at the Meeting. Where it is not practical to attach any document to the Agenda, the same is tabled before the Meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary items on the Agenda are permitted. The Board periodically reviews compliance reports of laws applicable to the Company, prepared and placed before the Board by the Management.

Presentations by Management: The Board / Committee is given presentations, wherever practicable covering finance, sales, order book, major business segments and operations of the Company, including business opportunities, business strategy, risk management practices and operating performance of the Company before taking on record the financial results of the Company.

Minutes of the Meetings: The draft Minutes of the proceedings of the Meetings are circulated amongst the Directors/Members of the Board / Committees within fifteen days from the conclusion of the Meeting. Comments and suggestions, if any, received from the Directors/Members are incorporated in the Minutes, in consultation with the Chairman. The Minutes are confirmed by the Directors/Members and signed by the Chairman at the next Board / Committee Meetings. All Minutes of the Committee Meetings are placed before the Board Meeting for perusal and noting.

The Board of Directors met seven (7) times during the financial year. The said meetings were held on June 30, 2020; August 27, 2020; September 03, 2020; September 15, 2020; November 09, 2020; November 20, 2020 and February 10, 2021.

Director Name	Attendance on Meetings held on							AGM
	30 Jun 2020	27 Aug 2020	03 Sep 2020	15 Sep 2020	09 Nov 2020	20 Nov 2020	10 Feb 2021	16 Oct 2020
Mr. Ricardo Suarez Garza	✓	✓	✓	NA	NA	NA	NA	NA
Mr. M S Srinivasan	✓	NA	NA	NA	NA	NA	NA	NA
Mr. P V Krishna	✓	NA	NA	NA	NA	NA	NA	NA
Ms. Tabassum M Wajid	✓	NA	NA	NA	NA	NA	NA	NA
Mr. Shridhar Gokhale	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Visweswara Reddy	NA	NA	✓	LoA	LoA	✓	✓	✓
Mr. Sharat Chandra Kolla	NA	NA	✓	✓	✓	✓	✓	✓
Mr. Ajay Kumar Dhagat	NA	✓	✓	✓	✓	✓	✓	✓
Dr. Sutanu Behuria	NA	✓	✓	✓	✓	✓	✓	✓
Ms. Leena M Sathyanarayanan	NA	NA	NA	NA	✓	✓	✓	NA

(✓- Attended, LoA – Leave of Absence, NA-Not Applicable)

INDEPENDENT DIRECTORS

To ensure highest standards of integrity, corporate credibility, transparent governance and also to uphold the interests of Stakeholders, Company has conferred significant powers and responsibilities to three directors who are independent from the Management.

CONFIRMATION FROM THE INDEPENDENT DIRECTORS

The Independent Directors of the Company satisfies the requirements laid down under section 149(6) of the Companies Act 2013 and Regulation 16(1) (b) of the Listing Regulations. In compliance with section 149 (7) of the Companies Act 2013, Company has received a declaration from each of the Independent Directors. In opinion of the Board, the independent Directors comply with the criteria of independence as laid down under Listing Regulations and Section 149(6) of the Companies Act 2013.

The following Non - Executive Directors are considered as Independent Directors:-

Mr. MS Srinivasan* (Resigned w.e.f. August 07, 2020)
 Mr. P V Krishna (Retired w.e.f. August 13, 2020)
 Ms. Tabassum M Wajid (Retired w.e.f. August 13, 2020)

Mr. Ajay Kumar Dhagat
 Dr. Sutanu Behuria
 Ms. Leena M Sathyanarayanan

* Mr. M S Srinivasan, resigned from the Board of Directors with effect from August 07, 2020 due to his preoccupation. Apart from this there are no other material reasons for his resignation.

Meetings of the Independent Directors: A separate meeting of Independent Directors was held during the year without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting.

Familiarization Programme: The Familiarization Program is aimed to provide insights of the Company to enable the Independent Directors to understand the Company's business in depth that would facilitate their active participation in managing the Company and to update the independent directors on a continuing basis on any significant changes therein so as to be in a position to take well-informed and timely decision. Company has adopted Familiarization policy and the same is available on the Company's website. website link: <http://www.indo-tech.com>.

BRIEF RESUME OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT:

A brief resume of Directors seeking appointment / re-appointment at the Twenty Ninth Annual General Meeting is given as part of the Notice of the Annual General Meeting.

DISCLOSURE OF DIRECTORS' AND OTHERS INTEREST IN TRANSACTIONS WITH THE COMPANY

None of the Directors except Mr. N. Visweswara Reddy and Mr. Sharat Chandra Kolla, Key Managerial Personnel and Senior Management, whether directly, indirectly or on behalf of third parties, had any material interest in any transaction or matter directly affecting the Company pursuant to the provisions of Regulation 4(2)(f) of the Listing Regulations.

None of the Directors of the Company are related to each other.

COMMITTEE OF DIRECTORS

The Board has constituted Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee to primarily focus and deal on the issues in the respective areas effectively and to use director's time more efficiently.

The functioning of all the Committees of the Board of Directors is guided by well-laid down terms of references that have been framed keeping in view the requirements prescribed for such Board Committees under the provisions of the Companies Act, 2013 and Listing Regulations.

During the financial year, each Committee has played a significant role in upholding and nurturing the principles

Meetings and Attendance: The Committee members met five times during the financial year ended March 31, 2021. The Attendance of members at the Committee Meetings is given below:

Members	Attendance on Meetings held on				
	30 Jun 2020	27 Aug 2020	15 Sep 2020	09 Nov 2020	10 Feb 2021
Mr. M.S Srinivasan, Chairman	✓	NA	NA	NA	NA
Mr. Ricardo Suarez Garza	✓	✓	NA	NA	NA
Mr. P V Krishna	✓	NA	NA	NA	NA
Mr. Sharat Chandra Kolla	NA	NA	✓	✓	✓
Mr. Ajay Kumar Dhagat, Chairman	NA	✓	✓	✓	✓
Dr. Sutanu Behuria	NA	✓	✓	✓	✓
Ms. Leena M Sathyanarayanan	NA	NA	NA	NA	✓

(✓ - Attended, LoA – Leave of Absence, NA-Not Applicable)

The terms of reference are briefly described below:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the Board, appointment, re-appointment, replacement or removal (in the event of necessity) of Statutory Auditors, Cost Auditors and/or any other auditors including fixation of remuneration.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Review, with the management, the annual financial statements before submission to the Board for approval.
- Review and monitor the Internal Audit Report and the effectiveness on the Risk Management Plan and Internal Financial Controls.
- Review adequacy of internal control systems, internal audit department, reporting structure and frequency, whistle blower mechanism, statutory compliances.
- Approval or any subsequent modification of Related Party Transactions of the Company.

of good governance and assisting the Board of Directors in discharging its duties and responsibilities.

AUDIT COMMITTEE:

The Audit Committee acts on the terms of reference given by the Board pursuant to Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Audit Committee reviews with Management, the Statutory Auditors and the Internal Auditors all aspects of the financial results, effectiveness of internal audit processes, taxation matters and the Company's risk management strategy. It assists the Board in fulfilling its responsibilities in monitoring and reviewing financial processes, governance and reviewing statutory and internal audit activities.

Composition: The Audit Committee consists of three Independent Directors and one Non-Executive Director. Company Secretary of the Company is acting as Secretary of the Audit Committee. During the year Board reconstituted the Committee three times, viz. on August 27, 2020, to induct the Mr. Ajay Kumar Dhagat and Dr. Sutanu Behuria, on September 03, 2020 to induct Mr. Sharat Chandra Kolla and on November 09, 2020 to induct Ms. Leena M Sathyanarayanan.

The Audit Committee is vested with the necessary powers to achieve its objectives.

The Committee has discharged such other role/function as envisaged under Regulation 18 (3) read with Part C of Schedule II of the Listing Regulations and the provisions of Section 177 of the Act.

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Committee focuses primarily on monitoring and ensuring that the shareholder and investor services operate in an efficient manner and that all Stakeholders grievances / complaints are addressed promptly with the result that all issues are resolved rapidly and efficiently.

The said Committee has been authorized to approve the transfer/ transmission/ transposition of shares and issue of duplicate share certificates.

During the year Board reconstituted the Committee on September 03, 2020 to induct Mr. Ajay Kumar Dhagat, Independent Director and Mr. Sharat Chandra Kolla, as members of the Committee in compliance with the Listing Regulations.

The Committee consists of one non-executive directors, one independent director and one executive director. Mr. Sathyamoorthy A, Company Secretary of the Company is the Compliance officer and Secretary of the Committee.

Composition and the attendance of Members at the Meetings held during the financial year ended March 31, 2021 is given below:

Members	Attendance on Meetings held on			
	30 Jun 2020	15 Sep 2020	09 Nov 2020	10 Feb 2021
Mr. Ricardo Suarez Garza, Chairman	✓	NA	NA	NA
Ms. Tabassum M Wajid	✓	NA	NA	NA
Mr. Shridhar Gokhale	✓	✓	✓	✓
Mr. Sharat Chandra Kolla, Chairman	NA	✓	✓	✓
Mr. Ajay Kumar Dhagat	NA	✓	✓	✓

INVESTOR GRIEVANCES REDRESSAL STATUS

No complaints were received from the Shareholders during the period. All queries and requests from the shareholders are well addressed and resolved to their satisfaction and as on the date of the report no queries were held as unattended.

Particulars	Numbers
Number of Complaints outstanding as at April 01, 2020	0
Number of Complaints received during the year ended March 31, 2021	0
Number of Complaints resolved during the year ended March 31, 2021	0
Number of Complaints outstanding as at March 31, 2021	0

NAME, DESIGNATION AND ADDRESS OF COMPLIANCE OFFICER

Mr. Sathyamoorthy A, Company Secretary & Compliance officer
 Address: Survey No. 153-210, Illuppapattu Village Near Rajakulam,
 Kancheepuram (Dist.), Tamilnadu – 631561.
 Phone: 044-30289854

NOMINATION AND REMUNERATION COMMITTEE

The terms of reference and role of the Nomination and Remuneration Committee are as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations which includes formulating the criteria to:

- Determine qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The Committee consists of three Non-Executive Directors with an Independent Director as Chairman and the Company Secretary as the Secretary of the Committee. During the year Board reconstituted the Committee two times, to induct Mr. Ajay Kumar Dhagat, Dr. Sutanu Behuria and Mr. Sharat Chandra Kolla.

Committee met for five times during the financial year ended March 31, 2021. The Attendance of Members at the Meetings held during the financial year is given below:

Members	Attendance on Meetings held on				
	30 Jun 2020	03 Sep 2020	15 Sep 2020	09 Nov 2020	10 Feb 2021
Mr. M.S Srinivasan, Chairman	✓	NA	NA	NA	NA
Mr. P V Krishna	✓	NA	NA	NA	NA
Ms. Tabassum M Wajid	✓	NA	NA	NA	NA
Mr. Ricardo Suarez Garza	NA	✓	NA	NA	NA
Mr. Ajay Kumar Dhagat, Chairman	NA	✓	✓	✓	✓
Dr. Sutanu Behuria	NA	✓	✓	✓	✓
Mr. Sharat Chandra Kolla	NA	NA	✓	✓	✓

Performance evaluation criteria for Independent Directors (ID):

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Directors. The framework of performance evaluation of the Independent Directors captures the participation of the Directors in the Board proceedings and his/her effectiveness, contribution at the meetings, guidance / support to the Management.

REMUNERATION TO DIRECTORS

(I) Remuneration policy

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company has formulated a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

The remuneration policy framed by the Nomination and Remuneration Committee warrants the Committee to decide the remuneration and other areas which falls under the terms of reference of the Committee.

(II) Remuneration of Non-Executive Directors

During the Financial Year 2020-21, the Company did not have any material pecuniary relationship or transactions with Non- Executive Directors apart from sitting fees paid. The Remuneration paid to Non-Executive Directors as sitting fees for the financial year ended March 31, 2021 is summarized herein.

Name	Sitting fees (Rs. in lakhs)
Mr. M. S. Srinivasan	0.65
Mr. P V Krishna	0.65
Ms. Tabassum M Wajid	0.40
Mr. Ajay Kumar Dhagat	3.35
Dr. Sutanu Behuria	3.20
Ms. Leena M Sathyanarayanan	1.20
Total	9.45

(III) Remuneration of Executive Directors

Remuneration to Executive Directors being paid as per the Service Agreements entered with them subject to the limits specified as per the provisions of the Companies Act, 2013. The details are mentioned below:

S. No	Particulars of Remuneration	Mr Shridhar Gokhale, Whole Time Director (Rs. in lakhs)
1	Gross Salary	83.86
2	Stock Options	--
3	Others (Incentives)	--
Total		83.86

GENERAL MEETINGS AND EXTRA ORDINARY GENERAL MEETINGS:

The particulars of Location, date and time of the Annual General Meeting held during the last 3 years and Special Resolutions passed thereat:

For the Financial Year ended	Date and Time	Venue	Special Resolutions Passed
March 31, 2020	October 16, 2020 At 10.30 A.M	Registered Office of the Company, Kancheepuram District, Tamil Nadu Through Video Conference / Other Audio Visual Mode (OAVM)	<ul style="list-style-type: none"> Appointment of Mr. Ajay Kumar Dhagat (DIN: 00250792) as Independent Director
March 31, 2019	August 14, 2019 At 01.30 P.M	Hotel Fairfield ByMarriott, FSP, Mambakkam, Sriperumbudur, Kancheepuram District, Tamil Nadu 602105	<ul style="list-style-type: none"> Appointment and Fixing of Remuneration to Mr Shridhar Gokhale as Whole Time Director Appointment of Mr M S Srinivasan as Independent Director
March 31, 2018	August 14, 2018 At 02.30 P.M	Hotel Fairfield ByMarriott, FSP, Mambakkam, Sriperumbudur, Kancheepuram District, Tamil Nadu 602105	<ul style="list-style-type: none"> Appointment and Fixing of Remuneration to Mr Ajay Kumar Sinha, Whole Time Director

The particulars of Extra-Ordinary General Meetings held during the last three years are as under:

NIL

The particulars of Special Resolutions passed through Postal Ballot held during the last year are as under:

NIL

MEANS OF COMMUNICATION:

The Annual Report, Quarterly, Half-Yearly and Annual Financial Results, Shareholding Pattern, Intimation of the Board Meetings and other statutory filings with the Stock Exchanges is posted through the filing system of the BSE Limited and NSE Electronic Application Processing System (NEAPS) portals. These results are generally published in the all India editions of The Financial Express and Makkal Kural. The financial results of the Company are also made available on the Company's website www.indo-tech.com

All price sensitive information and matters which are material and relevant to the Shareholders are intimated to the BSE Limited and the National Stock Exchange of India Limited, where the securities of the Company are listed.

SEBI COMPLAINTS REDRESSAL SYSTEM (SCORES):

SEBI has initiated SCORES for processing the investor complaints in a centralized web-based redress system and online redressal of all the shareholders complaints. During the financial year, no complaint was reported in SCORES.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis (MDA) giving an overview of the Company's business and its financials are provided as part of this Annual Report.

CODE OF CONDUCT:

The code of Conduct for all the members of the Board and senior management of the Company has been posted on the website of the Company: www.indo-tech.com. All Board members and senior management personnel (as per Regulation 26(3) of the Listing Regulations) have affirmed compliance with the applicable Code of Conduct. A declaration to this effect forms part of this Report.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company's shares are listed on the BSE Limited and the National Stock Exchange of India Limited. With the view to preventing insider trading and abusive self-dealing in the securities of the Company, the Company has formulated a Code of Conduct to Regulate, Monitor and Report Trading of the Company's securities by Insiders in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. As a part of this Code, the Company's Directors, Key Managerial Personnel and designated employees are advised of the closure of the trading window for dealing / transacting in the Company's Equity Shares prior to the announcement of the quarterly, half-yearly and annual financial results of the Company and other price sensitive information.

The Company has also adopted a Code of Corporate Disclosure Practices, for ensuring timely and adequate disclosure of Unpublished Price Sensitive Information by the Company, to enable the investor community to take informed investment decisions with regard to the Company's shares.

SHAREHOLDERS' INFORMATION:

29th Annual General Meeting:

The **29th Annual General Meeting** will be held on **Wednesday, September 08, 2021 through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") at 10. 30 A.M (IST).**

Financial Year of the Company

The Company follows 1st April to 31st March as financial year.

Financial Calendar (tentative)

Results for the quarter ending June 30, 2021	Second week of August, 2021
Results for the quarter ending September 30, 2021	Second week of November 2021
Results for the quarter ending December 31, 2021	Second week of February 2022
Results for the quarter ending March 31, 2022	Third week of May 2022
AGM for the Financial year ending March 31, 2022	Second week of August 2022

Date of book closure:

September 02, 2021 to September 08, 2021 (both days inclusive)

Stock Exchange	Code
BSE Limited	532717
National Stock Exchange of India Limited	INDOTECH
ISIN number for equity shares	INE332H01014

LISTING OF SHARES ON STOCK EXCHANGES

The equity shares of the Company are currently listed with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company has paid till date, appropriate listing fee to both the stock exchanges.

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001.

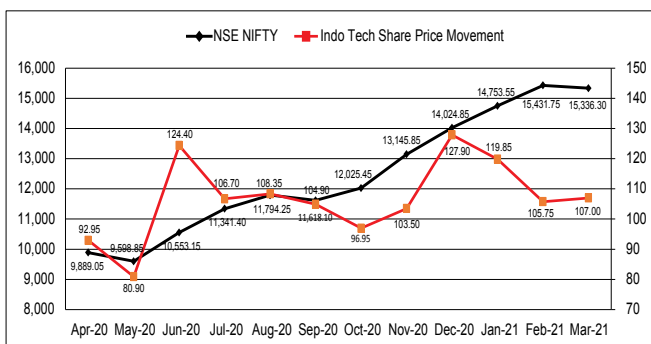
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051

STOCK PRICE DATA

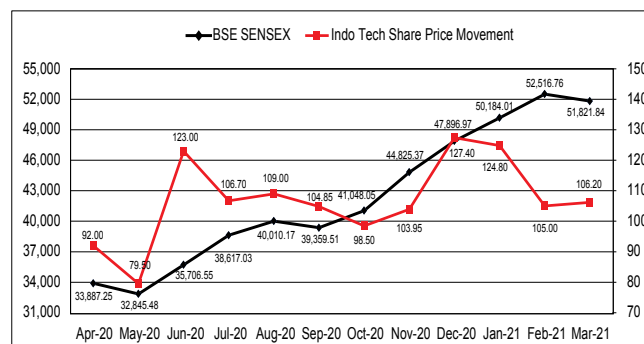
Month	NSE		BSE	
	High	Low	High	Low
Apr-20	92.95	69.90	92.00	73.20
May-20	80.90	68.30	79.50	68.60
Jun-20	124.40	75.15	123.00	77.00
Jul-20	106.70	90.40	106.70	91.00
Aug-20	108.35	91.75	109.00	91.00
Sep-20	104.90	86.30	104.85	86.15
Oct-20	96.95	85.40	98.50	78.10
Nov-20	103.50	84.00	103.95	80.50
Dec-20	127.90	97.00	127.40	90.00
Jan-21	119.85	97.35	124.80	97.55
Feb-21	105.75	95.10	105.00	87.40
Mar-21	107.00	83.60	106.20	84.65

Note: The Equity Shares of the Company were listed on NSE and BSE on 16th March, 2006.

PERFORMANCE IN COMPARISON TO NSE NIFTY



PERFORMANCE IN COMPARISON TO BSE SENSEX



REGISTRAR AND SHARE TRANSFER AGENTS**Link Intime India Private Limited**

C 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400083

Phones : 022 - 4918 6270,

Fax : 022-4918 6060

E-mail : rnt.helpdesk@linkintime.co.in.

SHAREHOLDING SUMMARY AS ON MARCH 31, 2021

Category	Total Shares	% to Equity
Physical	3,252	0.03
NSDL	96,17,060	90.56
CDSL	9,99,688	9.41
Total	1,06,20,000	100.00

SHARE TRANSFER, TRANSMISSIONS, SPLITS, SUB-DIVISION, CONSOLIDATION, RE-MAT

No applications for transfer/ transmission/split/subdivision/ consolidation/Re-mat were received during the financial year ended March 31, 2021.

SHAREHOLDING PATTERN AS ON MARCH 31, 2021

Category	No. of Shares	Percentage
Indian Promoter Company	78,20,905	73.6432
Foreign Promoter Company	5,29,593	4.9867
Hindu Undivided Family	1,32,173	1.2446
Non Resident (Non Repatriable)	4,138	0.0390
Non Resident Indians	21,969	0.2069
Other Bodies Corporate	2,73,688	2.5771
Public	18,06,349	17.0089
Clearing Members	31,185	0.2936
Total	1,06,20,000	100.00

DISTRIBUTION SCHEDULE AS ON MARCH 31, 2021

No. of Equity Shares held	No. of Shareholders	% to Shareholders	No. of Shares	% of Shareholding
1 to 500	8,504	93.307	7,17,897	6.7599
501 to 1000	297	3.2587	2,37,955	2.2406
1001 to 2000	156	1.7116	2,27,422	2.1415
2001 to 3000	58	0.6364	1,43,941	1.3554
3001 to 4000	26	0.2853	90,847	0.8554
4001 to 5000	12	0.1317	56,332	0.5304
5001 to 10000	29	0.3182	2,00,294	1.8860
Greater than 10000	32	0.3511	89,45,312	84.2308
TOTAL	9,114	100.00	1,06,20,000	100.00

DEMATERIALIZATION OF SHARES

As per SEBI's direction, dematerialization facility for the shares of the Company is available and it is in the interest of all the shareholders to convert their physical holdings into electronic holdings by dematerialization.

As on March 31, 2021, 1,06,16,748 shares were held in dematerialized form which constitute approx. 99.97 % of total number of subscribed shares.

LIQUIDITY

Since Company's shares are listed on BSE Limited and National Stock Exchange of India Limited and are compulsorily traded in dematerialised form, these shares enjoy enough liquidity in the market.

SHARE TRANSFER SYSTEM

The Company has entered into agreement with M/s. Link Intime India Pvt Ltd, Mumbai to carry out the transfer related activities. Authorised personnel are approving the transfer on periodical basis. All valid transfers are affected within stipulated days. Share certificates received at Registered Office are also sent to Registrars and Share Transfer Agents for doing the needful.

In case of electronic transfers, the bye laws of Depositories are complied with. During the Financial Year 2018-19, the Securities and Exchange Board of India ('SEBI') and Ministry of Corporate Affairs ('MCA') has mandated that existing members of the Company

who hold securities in physical form and intend to transfer their securities after April 1, 2019, can do so only in dematerialised form. Therefore, Members holding shares in physical form were requested to consider converting their shareholding to dematerialised form.

Share transactions in electronic form can be effected in a much simpler and faster manner. After a confirmation of a sale/purchase transaction from the broker, shareholders should approach the Depository Participant ("DP") with a request to debit or credit the account for the transaction. The DP will immediately arrange to complete the transaction by updating the account. There is no need for a separate communication to the Company to register these share transfers.

Shareholders should communicate with M/s. Link Intime India Pvt Ltd, the Company's Registrars and Transfer Agents ('RTA') quoting their folio number or Depository Participant ID ('DP ID') and Client ID number, for any queries to their securities.

CREDIT RATING

S. No	Date of Report of Credit rating	Credit Rating Agency	Instrument	Rating
1	September 25, 2020	ICRA Limited	Non-Fund Based Credit Limit (guarantees and Letter of Credits)	[ICRA] A4
2	September 25, 2020	ICRA Limited	Issuer Rating	[ICRA] BB (Negative)

GREEN INITIATIVE IN THE CORPORATE GOVERNANCE

As part of the green initiative process, the company has taken the initiative of sending documents like Notice calling Annual General meeting, Corporate Governance Report, Directors' Report, audited Financial Statements, Auditors Report, Dividend intimations etc., by email. Physical copies are sent only to those shareholders whose email addresses are not registered with the company and for the bounced-mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent / concerned depository to enable the company to send the documents in electronic form or inform the company in case they wish to receive the above documents in paper mode.

In view of the continuing lock down restrictions the circulars issued by Ministry of Corporate affairs (MCA) has extended the relaxations provided for companies for conducting Annual General Meeting (AGM) through Video Conferencing (VC) or through other audio-visual means (OAVM) and has dispensed with the printing and despatch of annual reports to shareholders. As per the MCA circulars, the requirements of Regulations 36 (1)(b) and (c) and Regulation 58 (1)(b) &(c) of the LODR dealing with sending of hard copies of annual reports to shareholders are dispensed with for listed entities who conduct their AGMs during the calendar year 2021 (i.e. till December 31, 2021).

Considering the current Covid-19 challenges in exercise of the above relaxations, the company would be dispatching annual report only in electronic mode to the registered mail id of the shareholders for this upcoming AGM. Your company would not be printing / sending physical copies of Annual Report.

PLANT LOCATION & ADDRESS FOR CORRESPONDENCE

INDO TECH TRANSFORMERS LIMITED

Survey No. 153-210, Illuppapattu Village Near Rajakulam,
Kancheepuram (Dist.),
Tamilnadu – 631561

DISCLOSURES

Related Party Transactions

There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. The Company does not have any subsidiary or associate. Transactions with related parties are entered into by the Company in the normal course of business and at arm's length. The details of transactions are periodically placed before the Audit Committee for review and approval. Members may refer to the notes to the accounts for details of related party transactions. Company has adopted a policy on related party transaction and it is placed on website of the Company (weblink: <http://www.indo-tech.com>).

Disclosure of Accounting Treatment

The Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements. There are no audit qualifications in the Company's financial statements for the year under review.

Compliance with Regulations

The Company has complied with the requirements of the Regulatory Authorities on Capital Markets. Neither has there been any instances of non-compliance by the Company on any matters related to the capital markets, nor has any penalty or stricture been imposed on the Company by the Regulatory Authorities or any statutory authority, on any matter related to capital markets, during the last three years.

Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

The Company has not raised funds through preferential allotment or qualified institutions placement during the year ended March 31, 2021

CERTIFICATE FROM THE PRACTICING COMPANY SECRETARY

M/s K Krishnamoorthy, Practicing Company Secretary has issued a certificate as required under the Listing Regulation, confirming that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

RECOMMENDATIONS OF COMMITTEE OF BOARD OF DIRECTORS

During the year ended March 31, 2021, all recommendations made by the Committees of the Board of Directors (viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee) were accepted by the Board of the Company.

TOTAL FEES FOR ALL SERVICES PAID BY THE COMPANY ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITORS

The details of payment made to Statutory Auditors during financial year 2020-21 are mentioned below:

(Rupees in lakhs)

S.No	Particulars of fees	Amount
1	Statutory audit	12.00
2	Tax audit	2.00
3	Limited review of quarterly results	5.75
4	Corporate Governance	1.00
5	Reimbursement of expenses	1.08
6	Others	0.75
	Total	22.58

WHISTLE-BLOWER POLICY

The Company has a Whistle Blower mechanism wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management. The confidentiality of those reporting violations shall be maintained and they shall not be subjected to any discriminatory practices. The Company affirms that no employee has been denied access to the Audit Committee. The Whistle-blower Policy is placed on website of the Company www.indo-tech.com

STATEMENT OF COMPLAINTS IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

There were no complaints during the financial year ended March 31, 2021.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Even though the provisions relating to the Corporate Social Responsibility (CSR) are not applicable to the Company during

the financial year, the approach towards CSR is holistic and integrated with the core business strategy of the Company for addressing social and environmental impacts of business.

DIVIDEND POLICY

Company did not declare any dividend during the period due to accumulated losses.

TRANSFER OF UNPAID/UNCLAIMED DIVIDEND AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

Company does not have any unpaid/unclaimed dividend amount which are pending to be transferred to the Investor Education and Protection Fund.

DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON-MANDATORY REQUIREMENTS

The Company has complied with the applicable mandatory requirements of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

The Company has adopted following non-mandatory requirements as specified in Part E of Schedule II of the SEBI (LODR) Regulations, 2015.

- A Non-Executive Chairperson is entitled to maintain a Chairperson's office at the Company's expenses and also allowed reimbursement of expenses incurred in performance of his duties.
- During the year under review, there was no audit qualification in the Auditors' Report on the Company's financial statements.
- The Chairperson of the Company and the CEO are different persons.
- The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting for reporting their findings of the internal audit to the Audit Committee Members

POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES

Company does not have any subsidiary / subsidiaries. However company has adopted a policy on determining material subsidiary and it is placed on website of the Company (web link: <http://www.indo-tech.com>).

DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES

The principal raw materials of the Company are Copper, CRGO, Steel and Oil etc. These are procured from the domestic suppliers. The price differences are adequately covered in the selling price of the finished products and Company does not indulge in any commodity hedging activities.

COMPLIANCE OR OTHERWISE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT

The Company has complied with the requirements of the Corporate Governance and has made disclosures to the extent required and applicable to it, as stipulated in Listing Regulations.

CORRESPONDENCE REGARDING CHANGE OF ADDRESS ETC

Shareholders are requested to ensure that any correspondence for change of address, change in Bank Mandates, etc. should be signed by the first named shareholder. The company is now also requesting for supporting documents such as proof of residence and proof of identification whenever a letter requesting for change of address is received. This is being done in the interest of shareholders as there are cases in the corporate world where attempts are made to fraudulently change the registered address of shareholders by unscrupulous parties. Shareholders are requested to kindly co-operate and submit the necessary documents / evidence while sending the letters for change of address. Shareholders who hold shares in dematerialised form should correspond with the Depository Participant with whom they have opened Demat Account/s.

PENDING INVESTORS' GRIEVANCES

Any shareholder whose grievance has not been resolved to his / her satisfaction may kindly write to the Company Secretary at the Registered Office with a copy of the earlier correspondence.

For and on behalf of the Board of Directors
INDO-TECH TRANSFORMERS LIMITED

Sharat Chandra Kolla
Director
DIN:08851423

Shridhar Gokhale
Whole-Time Director
DIN : 08349732

Place: Kancheepuram
Date : June 22, 2021

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements which may contain certain statements describing the Company's objectives, expectations or forecasts that appear to be forward-looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein. The Company is not obliged to update any such forward-looking statements. Some important factors that could influence the Company's operations comprise economic developments, pricing and demand and supply conditions in global and domestic markets, changes in government regulations, tax laws, litigation and industrial relations.

ECONOMIC AND INDUSTRIAL HIGHLIGHTS

The Global Economy

The global power sector is witnessing a rapid change with the influx of renewable energy in the power portfolio mix as all nations rise to the challenge of climate change. With energy sources moving to the edge of the grid, the role of players in the sector is also undergoing a change, necessitating a move from conventional methods to service delivery to becoming energy solution providers for the end consumers.

Renewables have become the preferred mode for energy generation and sourcing. The gradual reduction in costs supported by favourable Government policies are bringing about a positive change in the electricity generation mix. As per the International Energy Agency (IEA), the share of renewables is expected to be 44% by 2040, from the current level of 26%.

With an increasing number of nations responding to the challenge of climate change, the energy landscape is undergoing change wherein more than 100 countries have pledged carbon neutrality by 2050 and many more such commitments are on the horizon. Similar announcements on the corporate front have gathered pace worldwide. Be it energy companies or those in the IT/technology space, both utility and non-utility companies are undertaking 100% carbon free initiatives.

Another major global focus has been the adoption of Electric Vehicles (EV). EV deployment targets are witnessing upticks globally, thereby encouraging industry participants to invest in the EV supply chain. EV have been in the spotlight for a while now and are witnessing significant growth owing to growing environmental concerns and the rising demand for sustainable and energy-efficient transportation. Governments across the world have introduced various schemes to incentivize EV purchase over conventional vehicles.

Following a 3.5 percent contraction caused by the COVID-19 pandemic in 2020, global economic activity has gained significant momentum says World Bank in The Global Economic Prospects – June 2021. Moreover, the global economy is set to

expand 5.6 percent in 2021 - its strongest post-recession pace in 80 years. This recovery is uneven and largely reflects sharp rebounds in some major economies.

Emerging market and developing economies as a group are forecast to expand 6% this year, supported by higher demand and elevated commodity prices. Growth in South Asia is expected to rebound to 6.8 percent in 2021, 3.6 percentage points higher than previously projected, partly reflecting stronger-than-expected momentum from the end of last year. Out of which India accounts for nine-tenths of the upgrade to growth in 2021, as strong services activity more than offsets the economic effects of the worsening pandemic.

COVID-19 IMPACT

The COVID-19 pandemic has changed the world significantly. The business priorities has changed towards safeguarding and stabilizing operations, liquidity, people, supply chains and markets in this pandemic era. COVID-19 has reminded the world of its vulnerability and heightened the awareness of the public and wider society to global risks.

The challenge from the coronavirus for oil & gas companies has been heightened by the oil price collapse and continuing price uncertainty. All parts of the energy value chain are affected - upstream, midstream, downstream, and service companies. As well as implementing COVID-19 safety measures, companies need to pull all the traditional downturn levers, such as reductions in capital expenditures and cash conservation.

Keeping the power flowing and the lights on during the coronavirus crisis is the number one challenge for power and utility companies. Pandemic protection measures have reduced workforce availability and necessitated strict hygiene and separation protocols to maintain operations.

Business continuity and preparedness plans will need continual review to ensure that operations and infrastructure are properly supported. More than ever, it will be important to work closely with governments and regulators to consider the implications for energy affordability, sustainability and security of supply. Technological transformation will also have been given a boost by the experience of virtualisation and new ways of working by staff during the pandemic lockdown. It is likely to accelerate the move to a more mobile workforce, able to work virtually and at distance. This necessitates to look into the future opportunities towards workforce productivity and flexibility.

The experience of COVID-19 will almost certainly accelerate momentum towards new ways of working, automation and digitalisation. Companies that are further along the curve in digitising their operations have already benefited from greater built-in resiliency during the crisis, reducing dependence on human resources. Greater investments in these areas will equip companies to maintain better business continuity in their supply chains, operations and customer management, reducing the load on their workforces.

Indian Economy – Opportunities and Threats

India's power sector witnessed many successes in the recent years, including energy access being extended to millions of households, the adoption of energy-efficient LED lighting by most households and expansion of renewable power sources, led by solar. India's growing urban population, revival in economic activities in the coming quarters after a sizable population gets vaccinated and its quest for affordable, clean and reliable power provide a huge scope for continued growth in power demand.

The Government's focus in the transmission and distribution space has been on private sector participation. This paves way for the increased participation of private players in the Transmission and Distribution (T&D) space, through the Tariff-based Competitive Bidding (TBCB) route in transmission and PPP (Public-Private Partnership) or franchisee models in the distribution segment in a bid to improve performance.

Broadly speaking electricity access is one of the core focus areas of ASEAN countries, and Southeast Asia is making steady progress towards achieving universal electricity access by 2030. The region's electricity demand is growing at a rapid rate of 6% per annum. Given the focus on electricity access to all, microgrids is another area that is garnering attention. The demand for microgrids too is gaining momentum with the backing of the need for resiliency, energy security and electrification of rural and under-penetrated areas in a cost-effective manner without the requirement to extend the conventional grids.

Off all the factors determining the outlook of the energy industry, coupled with the need for affordable, sustainable and modern energy systems, is shaping the power sector and opening business service opportunities for power utilities. This wave of change is not just limited to the power companies but is also opening-up business opportunities for other industry groups like automobile and oil majors, which have been actively participating in this transition through business diversification, acquisition and collaboration with power utilities.

INDUSTRY

The Power Industry is the backbone of the industrial world, supplying essential energy to industrial, manufacturing, commercial and residential customers around the globe. In developed economies with mature power markets, investment is driven by transition of fuel and energy sources, increased environmental legislation and an ever-aging generation fleet and transmission/distribution infrastructure.

India already has a seat at the top table of international energy affairs, and its role is set to increase in importance in the years ahead. India is the fourth-largest global energy consumer today, after China, the United States and the European Union, and in the path of overtaking the European Union by 2030 to move up to third position.

Energy efficiency and clean energy remained key focus areas for the government throughout 2020. There was a major push for electric vehicles and railway electrification and a parallel drive for renewable energy (RE) integration through various policies.

India's continued industrialization becomes a major driving force for the global energy economy. The Government of India has also set a revised target of 220 gigawatt (GW) for Renewable Energy integration by 2022, up from 175 GW earlier, 30 percent electric vehicle (EV) penetration by 2030 and 100 percent railway electrification in the next 3.5 years.

However, two parallel stories emerged: one where the falling cost of renewables presented an opportunity for the country to deliver cheaper electricity, the other where Distribution Companies (DICOMS) and Generation Companies (GENCOs) struggled with coal-related debts, unable to free up capital for investments in solar, wind, and storage.

In the Union Budget 2021-22, INR 3,05,984 crores (US\$ 42 billion) has been allocated for a revamped, reforms-based and results-linked new proper distribution sector scheme over the next five years. Policy level support for 100% FDI has been allowed in the power sector to boost the FDI.

A robust and efficient power T&D infrastructure is imperative for effective transfer of power from generation source to the consumption points / demand centres. Thus, expanding the T&D infrastructure to transmit the power generated to consumer points across the length and breadth of the country becomes imperative.

OPPORTUNITIES, CONCERNS AND RISKS

Opportunities

India is the third largest producer and second largest consumer of electricity in the world and had an installed power capacity of 379.13 GW as of February 2021. Electricity production reached 1,252.61 billion units (BU) in FY20. The Government is preparing a 'rent a roof' policy for supporting its target of generating 40 GW of power through solar rooftop projects by 2022.

Under the Union Budget 2021-22, the government has allocated Rs. 15,322 crore (US\$ 2.11 billion) for the Ministry of Power and Rs. 5,753 crore (US\$ 794.53 million) for the Ministry of New and Renewable Energy. Under the Union Budget 2021-22, the government has allocated Rs. 300 crore (US\$ 41.42 million) to increase capacity of the Green Energy Corridor Project, along with Rs. 1,100 crore (US\$ 151.90 million) for wind and Rs. 2,369.13 crore (US\$ 327.15 million) for solar power projects.

In the current decade (2020-2029), the Indian electricity sector is likely to witness a major transformation with respect to demand growth, energy mix and market operations. The Cabinet Committee on Economic Affairs (CCEA) has approved commercial coal mining for private sector and the methodology of allocating coal mines via auction and allotment, thereby prioritising transparency, ease of doing business and ensuring the use of natural resources for national development. India aims to reduce emissions intensity of its gross domestic product (GDP) by 33% to 35% by 2030 from 2005 levels and increase the share of non-fossil fuels to 40% of the total electricity generation capacity.

Based on the forecasts, India's energy demand could double by 2040, with electricity demand potentially tripling as a result of increased appliance ownership and cooling needs. By raising the level of its energy efficiency ambition, India could save some \$190 billion per year in energy imports by 2040 and avoid electricity generation of 875 terawatt-hours per year – almost half of India's current annual power generation.

In addition to this, your company's entry into Metro Rail projects and mobility segment paves way for favorable business opportunities.

Renewable energy and other Environment conservation oriented actions to create demand:

India has set ambitious targets to increase the share of renewable energy (RE) in its energy mix. The Government of India (GoI) plans to install 175 GW of renewable energy projects by 2022 and 450 GW by 2030.

In the Solar and Wind park, transformers are required as part of the power evacuation system. Step-up generation transformers (33KV) would be needed at each power injection point in the solar park from where power would be transmitted to the nearest substation, which will have a step-up transformer (33KV/220KV), which will raise voltage to higher levels for feeding into the power grid. The company hopes that renewable energy parks can create enough demand. The Government of India is planning to invite bids for the largest solar tender in the world for installing 20 GW of solar power capacity to give a boost to manufacturing of solar power equipment in India.

As Government is pushing Electric vehicle mobility technology very actively, we see there will be demand of Electric vehicle charging stations. These stations will need high power of electricity which is provided at high voltage and thus need Transformers to reduce it low voltage level.

Concerns and Risks:

The major risk factors affecting the Company are over capacity in industry, non-lifting of ready materials due to constraints at customers' end thereby building inventory and creating liquidity issues. Increase in receivable positions due to delay in payment by certain customers and uncertainty in execution of low fixed price orders. Other notable concerns include:

1. Raw material price volatility:

Copper and CRGO laminated Silicon Steel are the major raw material which contributes more than 60% cost of total raw material. The supply of CRGO is one of the major challenges in the industry as it needs to be imported and there is less supply. CRGO which is one of the major raw materials for transformers is not being manufactured in India thereby causing more FOREX outflow, further the importers levy high service charge thus escalating the price. Adverse price movement of both commodities can impact the margins of the Company. The Copper price is determined by the London Metal Exchange (LME). Reverse migration of labour due to COVID-19 lock down

has impacted capacity of steel fabrication industry which has taken its toll on Fabricated steel items which is 3rd highest cost component in Transformer's Raw Material cost structure. The wide fluctuation of rupee against US Dollars also affects margin since the key raw materials, viz. copper, transformer oil, special steels for lamination, etc., are of import origin.

2. Unorganized players:

India's transformer market is predominantly unorganised with many small participants catering to the smaller distribution transformer markets. In addition to severe competition with MNC players, domestic manufacturers, Chinese and Korean manufacturer's presence makes the market very competitive. Your company has to compete with unorganized players for orders from SEBs, utilities and industrial clients, which makes the market more price sensitive.

3. Overcapacity in industry

Due to the entry of large number of players during favorable time, overcapacity continues to be a major negative factor in the industry as a result aggressive pricing is undertaken by some of the Transformers manufacturers, which could impact margins. However, in the recent times the exit of few market players and closure of plants open up the opportunity for the company to capitalize this vacuum and position itself better.

4. Slowdown in the manufacturing segment

The demand from the manufacturing segment is still a major concern for the industry, the manufacturing sector is yet to see an investment uptick due to low capacity utilisation and this has led to slowdown in new as well as expansion projects. The slowdown in the manufacturing segment has a 'Domino' effect on the overall transformer industry – low power demand from the manufacturing segment is one of the major reasons for reducing peak power deficit in the country, excess power from the manufacturing sector is diverted to residential and agricultural sectors shortening power outages in these sectors. Unless power demand from manufacturing segment increases the utilities will not be very enthusiastic to spend on improving power availability or expanding the network. Hence, demand expansion in the core manufacturing sectors is very critical for the transformer industry.

5. Financial Health of State Discoms

Years of populist tariff schemes, mounting Aggregate Technical & Commercial losses and operational inefficiencies have adversely affected the financial health of State Discoms which are currently plagued with humongous out-standing debts.

6. Delay in payment to IPPs by EBs

There is considerable delay in payment to Independent Power Producers (IPPs) by Electricity Boards (EBs). This delay affects financial health of IPPs and in turn affects cash

cycle of Original Equipment Manufacturers. OEMs have to be choosy in accepting orders from such IPPs and this affects year to year growth.

7. **Renegotiation of wind and solar power purchase contracts by state utilities**

Industry witnessing a trend of State utilities reviewing and renegotiating the signed power purchase agreements (PPAs) with wind and solar power developers. This impairs the cash flows of projects and may impact investor sentiments in the sector. PPA renegotiation or cancellation to be an event risk and a deviation from normal business proceedings, as these are not embedded in the contracts

8. **Utility Orders**

The transformer industry largely depends on the spending from transmission and distribution utilities and recent tenders/ordering activity by utilities clearly demonstrate the downward trend. Lack of funds is one of the key reason behind it. All Contracts awarding by the utilities are based on low price (L1) bidder which resulting in price war with unorganized players without compromise on the quality is the challenge for the organized quality driven Companies. The payment terms of utilities are generally high credit period compared to private parties which impact the Company's cash flow.

BUSINESS OVERVIEW AND OUTLOOK

With emphasis of central Government on renewable energy generation addition, country is moving towards decentralized electricity generation. Earlier, bulk electricity was generated near coal mines in central and east part of India and then transmitted through EHV lines of 400 KV & 765 KV to Western and Southern part of India. As majority of renewable parks are located in Western and Southern India, growth of 400KV or 765 KV Transmission lines will be limited. This mean 220 KV class Transmission equipment will be in demand where your company is appropriately positioned. In addition to the domestic market, your Company has taken steps to foray into the global market improve its performance and reach.

Due to excess installed capacity of Indian transformer industry and heavy competition, last few years were challenging. In these years some established transformers manufacturing plants have been closed down whereas your company sailed through these difficult times. Your company sees this as opportunity to fill vacated space and increasing market share in 220 KV product segment.

By leveraging capabilities in quality products, combined with your Company's energy platform well positioned in the market and with a focus on intelligent grids, you company is moving forward to enable customers to increase resilience and efficiency, and unlock new business models. Your Company leapt forward, driven to power good for a sustainable energy future with its strong customer market and quality transformers.

Your Company will be solidifying its presence in the power sector and expanding its footprint and product portfolio to support India's talent and manufacturing capabilities.

RISK AND INTERNAL CONTROLS

The Audit Committee and the Board of Directors reviewed internal controls and the progress of implementation of the recommendations of internal audits. The Whole-Time Director/CFO certification provided in the report discusses the adequacy of our internal control systems and procedures.

Your Company's existing framework provides for risk reviews at various levels based on the organizational structure matrix. Periodic assessment of risks, potential impact relating to business growth, profitability, talent engagement, and market position are conducted. Response to key operational risks, based on inputs received from the internal and external assessment, internal and performance review among others are done on a regular basis.

The aim is to minimize adverse impacts, leverage market opportunities efficiently, and enhance your business competitiveness. The Company has an Internal Financial Control (IFC) process which aims at providing reasonable assurance on - reliability of financial information, compliances with laws and regulations in force and realization and optimization of operations. It ensures documentation and evaluation of unit and entity level controls through existing policies and procedures, primarily to identify any significant gaps and define key actions for improvement. Management conducted an assessment of the effectiveness of internal financial controls and based on this assessment, management has determined that the Company's internal financial controls as of March 31, 2021 were effective.

Your Company's internal control environment is in place to take care of, inter alia, financial and operational risks. The Company has an independent Internal Auditor for periodically carrying out audit of the transactions of the Company in order to ensure that recording and reporting are adequate and proper. The Internal Auditors independently evaluate the adequacy of internal controls to ensure that internal controls, checks and balances in the system are adequate, proper and up-to-date.

HUMAN RESOURCES

Your Company strongly believes that its employees are the key pillar of your Company's success in the market. Your Company continues to attract the best of talent, thanks to its diverse yet inclusive culture and ability to opportunities for their career growth. Your Company's people strategy is aligned with its overall vision to be the pioneer in shaping the future of sustainable energy and your Company is committed to nurturing a cordial and diversified work environment in a growing market and in maximizing the potential of its workforce.

Your company recognizes employees are the foundation of corporate success. We consider them our most valuable assets, and have been working towards keeping them engaged and Inspired. In continuation of it, this year we have established a process to identify and recognize performing employees through "Employee of the Month" scheme. We believe this will engage and inspire employees to stay longer. We have employees who have been with us for more than 25 years. Our periodical trainings have enhanced productivity and product performance on quality front.

Our work place culture not only attracts and retains the best employees but also attracts employees who have left us for better prospects to re-join us. The Human resource department builds friendly relationship with each employee and helps them resolve grievances at short notice thereby inculcating an employee friendly environment which is highly rewarding.

Amid the impact of COVID-19 and the challenges it presents on a personal and business level, health and safety of the employees and their families are the priority of the company. The company has undertaken all safety measures across the plant and are following increased protocols to ensure our people are safe and secure.

The Confederation of Indian Industry (CII) has recognized your company with Environmental Health and Safety (EHS) Excellence Award - 3 Star Rating. This is result of the company's consistent work to improve health and safety condition at our workplace.

FINANCIAL AND OPERATIONS PERFORMANCE

The financial statements complied with the requirements of the Companies Act, 2013, and the Generally Accepted Accounting Principles (GAAP) in India. The financial performance of your Company was affected by the combined impact of pricing

pressures in the marketplace, increases in input costs, delays in projects as well as complying with stringent design specifications of the customers.

The Covid -19 health crisis have led to an unpredictable business climate in terms of demand and future outlook. Post Covid-19 the outlook is highly uncertain, the Company expects current year to be more tough and challenging compared to past. The economic environment in which Company is operating has created uncertainty for short term. The path back to normality after the health crisis subsidies, is likely to be slow.

The Company is adopting cautious approach in its Current year Business Plan. Amid uncertainties due to Covid, the Company is taking a balanced view on scaling up manufacturing operations and timely delivery to enable the adequate cash flow for the operations. The management expects and believe that delay in receivables and delay in dispatch of products resulting in finished goods inventory buildup are short term challenges and that India's economic growth has the potential to bounce back once the Covid-19 pandemic settle.

Despite all challenges, the Company is fully focused on attaining sustainable growth with the best practices at operations along with the expertise of its parent company.

FINANCIAL HIGHLIGHTS

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Gross Sales & Other Income	20,892	21,075	21,463	23,016	16,591	22,318	18,671	11,455	12,495	12,596
Net Sales & Other Income	20,892	21,075	21,463	22,472	15,059	20,263	17,363	10,485	11,554	11,572
Earnings before Depreciation, Interest and Tax (EBDIT)	1,133	507	-268	151	-308	937	632	-529	-3,857	-3,218
Depreciation	482	479	519	474	482	535	518	299	504	412
Profit After Tax	629	192	-839	-369	-1,127	402	-374	-1,880	-5,018	-3,998
Equity Dividend %	--	--	--	--	--	--	--	--	--	--
Dividend Payout	--	--	--	--	--	--	--	--	--	--
Equity Share Capital	1,062	1,062	1,062	1,062	1,062	1,062	1,062	1,062	1,062	1,062
Reserves and Surplus	12,261	11,591	11,455	12,348	12,757	14,425	14,023	-450	1,430	6,447
Net Worth	13,323	12,653	12,517	13,410	13,819	15,487	15,085	612	2,492	7,509
Gross Fixed Assets	6,731	6,671	6,563	5,987	5,909	10,106	10,003	9,888	9,902	9,822
Net Fixed Assets	4,374	4,797	5,159	5,034	5,429	6,215	6,635	7,047	7,309	7,667
Total Assets	18,660	20,193	19,346	20,868	20,868	21,269	20,659	18,270	17,684	17,599

Key Indicators	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Earnings per Share - Rs.	5.92	1.81	-7.90	-3.48	-10.62	3.79	-3.52	-17.7	-47.25	-37.65
Turnover per share - Rs.	196.72	198.45	202.10	216.72	156.22	210.16	175.82	107.35	117.65	118.71
Book value per share - Rs.	125.45	119.14	117.86	126.27	130.12	145.83	142.04	5.76	23.46	70.72
Debt : Equity Ratio	--	--	--	--	--	--	--	20.62:1	3.27:1	0.71:1
EBDIT / Gross Turnover %	5%	2%	-1%	1%	-2%	4%	3%	-5%	-32%	-26%
Net Profit Margin %	3%	1%	-4%	-2%	-7%	2%	-2%	-19%	-42%	-32%
RONW %	5%	2%	-7%	-3%	-8%	3%	-2%	-307%	-201%	-53%
ROCE %	8%	4%	-2%	1%	-2%	6%	4%	-77%	-150%	-42%

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE UNDER SCHEDULE (E) TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To

The Members of Indo Tech Transformers Limited

This certificate is issued in accordance with the terms of our engagement with **Indo Tech Transformers Limited** (the Company'). We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes preparation and maintenance of all relevant supporting records and documents, the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2021.

We conducted our examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2021.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction of Use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the aforesaid Regulations and may not be suitable for any other purpose.

for ASA & ASSOCIATES LLP

Chartered Accountants

Firm Registration No: 009571N/N500006

G N Ramaswami

Partner

Membership No: 202363

UDIN: 21202363AAAACI5279

Place : Chennai

Date : June 22, 2021

CERTIFICATION BY CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER

We hereby certify that for the financial year ending March 31, 2021, on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ending March 31, 2021, which are fraudulent, illegal or in violation of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls. We have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and have taken the required steps to rectify these deficiencies.
5. We further certify that:-
 - a. There have been no significant changes in internal control during this year.
 - b. There have been no significant changes in accounting policies during this year.
 - c. There have been no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system

Place : Kancheepuram
Date : June 22, 2021

Shridhar Gokhale
Whole-Time Director

Saikrishnan C P
Chief Financial Officer

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for all Board members and senior management of the Company. The Code has been hosted on the Company's website www.indo-tech.com

We confirm that the Company has in respect of the financial year ended March 31, 2021, received from the Members of the Board and the senior management team of the Company a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means employees in the rank of Heads of functions.

For Indo Tech Transformers Limited

Place : Kancheepuram
Date : June 22, 2021

Shridhar Gokhale
Whole-Time Director

INDEPENDENT AUDITOR'S REPORT

To the Members of Indo Tech Transformers Limited

Report on the Audit of the Ind AS Financial Statements

1. Opinion

We have audited the accompanying Ind AS financial statements of Indo Tech Transformers Limited (“the Company”), which comprise the balance sheet as at March 31, 2021, the statement of profit and loss (including other comprehensive income), the statement of changes in equity, the statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Other Matters

The financial statements of the Company for the year ended March 31, 2020, were audited by another auditor who expressed an unmodified opinion on those statements on June 30, 2020.

4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below as the key audit matter to be communicated in our audit report.

Sl.No	Key Audit Matter	Auditor’s Response
1	<p>Going Concern – Effect of losses and COVID-19: The Company has incurred losses over the past few years and has significant accumulated losses as at balance sheet date. Further, the impact of COVID-19 pandemic on the budgets / forecasts and uncertain business environment caused by various external factors may pose a threat / liquidity challenge for the Company. As more fully explained in Note 2b to the financial statements, the Company’s financial statements have been prepared using the going concern basis of accounting. The use of this basis of accounting is appropriate unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. In view of continued and accumulated losses and the possible impact of COVID-19 on the business, we identified the assessment of going concern as a key audit matter.</p>	<p>In view of the significance of the matter we applied the following audit procedures:</p> <ul style="list-style-type: none"> • obtaining an understanding of the Company’s internal controls over its forecasting process. • evaluating the impact of COVID-19 on the Company’s operations and the possible measures undertaken by the Company with respect to such challenges. • obtaining the support letter received by the Company from its holding company and the Acquirer (also refer Note 2b to the financial statements).

Sl.No	Key Audit Matter	Auditor's Response
2	<p>Revenue from Operations: Revenue of the Company mainly comprises of sale of transformers to its customers and related services. Revenue from sale of goods is recognised when control is transferred to the customers and when there are no other unfulfilled obligations. This requires detailed analysis of each contract/customer purchase order regarding timing of revenue recognition. Inappropriate assessment could lead to a risk of revenue being recognized on sale of goods before the control in the goods is transferred to the customer. Accordingly, timing of recognition of revenue is a key audit matter.</p>	<p>We have performed the following procedures to address the Key audit matters:</p> <ul style="list-style-type: none"> • we assessed the Company's accounting policies for revenue recognition by comparing with the applicable accounting standards. • testing the design, implementation and operating effectiveness of key internal controls over timing of recognition of revenue from sale of goods. • performing testing on selected statistical samples of customer contracts. Checked terms and condition related to acceptance of goods, acknowledged delivery receipts and tested the transit time to deliver the goods and its revenue recognition. Our tests of details focused on cut-off samples to verify only revenue pertaining to current year is recognized based on terms and conditions set out in sales contracts and delivery documents.
3	<p>Trade Receivables: The Company has significant outstanding from customers including past dues. The recoverability and the provisioning assessment carried on by the management is based on ageing profile, payment pattern and expected date of collection and time value of money. Based on the factors of impairment assessment, significant judgements and assumptions, including assessing credit risk, timing and amount of realization, etc by the management, we identified this as a key audit matter.</p>	<p>We have performed the following procedures in relation to the recoverability of trade receivables:</p> <ul style="list-style-type: none"> • we obtained an understanding of the processes implemented by management to estimate impairment provision against trade receivables. • we obtained and tested the appropriateness of ageing of trade receivables with the underlying invoices on a sample basis. • we evaluated the impairment model adopted by management to estimate the expected credit loss and tested related computations. We corroborated management's estimates on the basis of past trends. • we obtained, discussed and tested management assessment of impairment for specific customer balances with designated management personnel. • we have circulated direct confirmations on a sample basis. In case of non-receipt of such confirmations, alternate test procedures such as testing subsequent receipts and underlying documents have been performed.

5. Information Other than the Ind AS 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Report on Corporate Governance but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of Ind AS financial statement, our responsibility is to read the other information and, in doing so,

consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

6. Responsibilities of Management and Those Charged with Governance for the Ind AS 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 Ind AS financial statements that give a true and fair

view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is

higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the Ind AS financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the Ind AS financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

8. Report on Other Legal and Regulatory Requirements

8.1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

8.2 As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss including the 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 Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.;
- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 29 to the Ind AS financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for ASA & ASSOCIATES LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

G N Ramaswami
Partner

Place : Chennai
Date : June 22, 2021

Membership No: 202363
UDIN: 21202363AAAACH6846

Annexure - A
(As referred to in paragraph 8.1 of our Independent Auditor's Report of even date to the members of Indo Tech Transformers Limited)

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets;
- (b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification; and
- (c) The title deeds of immovable properties are under the custody of the lenders as security for the various credit facilities sanctioned; as confirmed by lenders and the Mortgage deed executed between banks and the Company, the tile deeds are in the name of the Company.
- ii. The management has conducted the physical verification of inventory during the year and according to the information and explanation given to us no material discrepancies were noticed on such physical verification.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly reporting under sub-clauses a, b & c to clause (iii) are not applicable.
- iv. The company has not granted any loans, made any investments or provided any security during the year. The company has complied with the provisions of the section 186 of the Act in respect of guarantee issued during the year.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has prescribed maintenance of cost records under section 148(1) of 'the Act'. We have broadly reviewed the records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under the said section and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other statutory dues with the appropriate authorities. There are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other statutory dues in arrears as at March 31, 2021 for a period of more than six month from the date they became payable; and
- (b) The According to the information and explanations given to us, the dues relating to income tax, sales tax, and duty of excise that have not been deposited by the Company with the appropriate authorities on account of disputes are given below:

Name of the Statue	Nature of the dues	Amount (Rs. in Lakh)	Period to which the amount relates	Forum where the dispute is pending
The Central Sales Tax Act, 1956	Central sales tax	4.42	FY 1996-97	Madras High Court
The Central Sales Tax Act, 1956	Central sales tax	3.63 [^]	FY 2005-06 FY 2006-07	Assistant Commissioner of Commercial Taxes
Tamil Nadu General Sales Tax Act, 1959	Penalty	0.16	FY 1996-97	Commissioner of Commercial Taxes Appeal
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	Nil [@]	FY 2008-09	Appellate Deputy Commissioner of Commercial Taxes
Central Excise Act, 1944	Excise Duty	146.02	FY 2008-09 to December 2012	Custom Excise and Service Tax Appellate Tribunal, Chennai

Name of the Statute	Nature of the dues	Amount (Rs. in Lakh)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	41.16	January 2012 to December 2013 and March 2014 to June 2014	Joint Commissioner of Central Excise
Central Excise Act, 1944	Excise Duty	27.52	FY 2014-15	Commissioner of Central Excise
Finance Act, 1994	Service Tax	79.22#	FY 2014-15	Custom Excise and Service Tax Appellate Tribunal, Chennai
Finance Act, 1994	Penalty	7.95	FY 2008-09	Custom Excise and Service Tax Appellate Tribunal, Chennai
Income-tax Act, 1961	Income Tax	13.08*	AY 2016-17	Commissioner of Income Tax (Appeals)

^ net of Rs. 25 lakhs paid under protest

@net of Rs. 7.51 lakhs paid under protest

net of Rs. 4.17 lakhs paid under protest

*net of Rs. 8.17 lakhs paid under protest

- viii. On the basis of verification of records and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to Financial Institutions/Banks.
- ix. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. The moneys raised by way of working capital term loans were applied for the purpose for which the term loans were raised.
- x. According to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. The transactions with the related parties are in compliance with section 177 and section 188 of the Act, where applicable and details have been disclosed in the Financial Statements as required by the applicable accounting standards;

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year hence reporting under clause 3 (xiv) of the Order is not applicable to the Company;

xv. The Company has not entered into any non-cash transactions with Directors or persons connected with them;

xvi. The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

for **ASA & ASSOCIATES LLP**

Chartered Accountants

Firm Registration No: 009571N/N500006

G N Ramaswami

Partner

Place : Chennai

Date : June 22, 2021

Membership No: 202363

UDIN: 21202363AAAACH6846

Annexure - B**(as referred to in paragraph 8.2(f) of our Independent Auditors' Report of even date to the members of Indo Tech Transformers Limited)****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Indo Tech Transformers Limited ("the Company"), as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods

are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential

components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

for ASA & ASSOCIATES LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

G N Ramaswami
Partner

Place : Chennai
Date : June 22, 2021

Membership No: 202363
UDIN: 21202363AAAACH6846

Balance Sheet as at March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	4	4,371.99	4,793.04
Intangible assets	5	2.40	3.67
Financial assets			
Deposits	6(i)	226.22	198.95
Other financial assets	6(ii)	301.66	302.54
Deferred tax assets, net	7	-	-
Non-current tax assets	8	139.79	388.08
Other non-current assets	9	33.23	38.20
Total non-current assets		5,075.29	5,724.48
Current assets			
Inventories	10	3,454.36	4,621.91
Financial assets			
Trade receivables	11	6,927.12	7,384.92
Cash and cash equivalents	12(i)	941.31	432.83
Other bank balances	12(ii)	1,236.50	832.33
Other financial assets	13	50.66	237.71
Current tax assets		-	226.36
Other current assets	14	974.38	732.69
Total current assets		13,584.33	14,468.75
Total Assets		18,659.62	20,193.23
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,062.00	1,062.00
Other equity		12,260.93	11,590.59
Total equity		13,322.93	12,652.59
Liabilities			
Non-current liabilities			
Provisions	17	99.13	116.07
Total non-current liabilities		99.13	116.07
Current liabilities			
Financial Liabilities			
Trade payables	18		
- total outstanding dues of micro enterprises and small enterprises		652.00	798.72
- total outstanding dues of creditors other than micro enterprises and small enterprises		3,116.99	4,856.62
Other current liabilities	19	1,110.27	1,495.29
Provisions	17	358.30	273.94
Total current liabilities		5,237.56	7,424.57
Total liabilities		5,336.69	7,540.64
Total equity and liabilities		18,659.62	20,193.23

Significant accounting policies

The notes referred to above form an integral part of the financial statements

3

As per our report of even date attached

for ASA & Associates LLP
Chartered Accountants

Firm's Registration No. - 009571N/N500006

G N Ramaswami
Partner

Membership No: 202363

Place : Chennai

Date : June 22, 2021

 for and on behalf of the Board of Directors of
Indo Tech Transformers Limited
Sharat Chandra Kolla

 Director
 DIN No: 08851423

Shridhar Gokhale

 Whole-Time Director
 DIN No: 08349732

Saikrishnan C P

Chief Financial Officer

Sathyamoorthy A

Company Secretary

Place : Kancheepuram

Date : June 22, 2021

Statement of Profit and Loss for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations	20	20,599.91	20,532.52
Other income	21	291.70	542.47
Total income		20,891.61	21,074.99
Expenses			
Cost of materials consumed	22	13,529.80	17,013.17
Changes in inventories of finished goods and work-in-progress	23	771.83	(1,655.50)
Employee benefits expense	24	2,251.70	2,158.13
Finance costs	25	15.32	18.58
Depreciation and amortisation expense	26	482.29	478.93
Other expenses	27	3,205.38	3,051.98
Total expenses		20,256.32	21,065.29
Profit / (Loss) before tax		635.29	9.70
Tax expenses:			
Current tax		-	-
Current tax pertaining to earlier years		6.71	(182.33)
Deferred tax		-	-
Total Tax Expense		6.71	(182.33)
Profit / (Loss) after tax		628.58	192.03
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit liability	17	41.76	(56.21)
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total comprehensive income for the year		670.34	135.82
Earnings per equity share:	33		
- Basic		5.92	1.81
- Diluted		5.92	1.81
Significant accounting policies	3		
The notes referred to above form an integral part of the financial statements			

As per our report of even date attached

for **ASA & Associates LLP**

Chartered Accountants

Firm's Registration No. - 009571N/N500006

G N Ramaswami

Partner

Membership No: 202363

Place : Chennai

Date : June 22, 2021

for and on behalf of the Board of Directors of
Indo Tech Transformers Limited**Sharat Chandra Kolla**

Director

DIN No: 08851423

Shridhar Gokhale

Whole-Time Director

DIN No: 08349732

Saikrishnan C P

Chief Financial Officer

Sathyamoorthy A

Company Secretary

Place : Kancheepuram

Date : June 22, 2021

Statement of Changes in Equity for year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

a. Equity share capital	Amount
Balance as at March 31, 2019	1,062.00
Changes in equity share capital during the year	-
Balance as at March 31, 2020	1,062.00
Changes in equity share capital during the year	-
Balance as at March 31, 2021	1,062.00

b. Other equity

Particulars	Reserves and surplus (Refer note 16)				Other Comprehensive Income (Refer note 16)	Total
	Securities premium	Capital reserve	General reserve	Retained earnings	Remeasurements of defined benefit liability	
Balance as at April 1, 2019	3,758.48	14,912.50	1,933.53	(9,038.28)	(111.46)	11,454.77
Profit for the year	-	-	-	192.03	-	192.03
Other comprehensive income	-	-	-	-	(56.21)	(56.21)
Total comprehensive income for the year	-	-	-	192.03	(56.21)	135.82
Balance as at March 31, 2020	3,758.48	14,912.50	1,933.53	(8,846.25)	(167.67)	11,590.59
Profit for the year	-	-	-	628.58	-	628.58
Other comprehensive income	-	-	-	-	41.76	41.76
Total comprehensive income for the year	-	-	-	628.58	41.76	670.34
Balance as at March 31, 2021	3,758.48	14,912.50	1,933.53	(8,217.67)	(125.91)	12,260.93

Significant accounting policies

3

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **ASA & Associates LLP**

Chartered Accountants

Firm's Registration No. - 009571N/N500006

G N Ramaswami

Partner

Membership No: 202363

Place : Chennai

Date : June 22, 2021

for and on behalf of the Board of Directors of
Indo Tech Transformers Limited

Sharat Chandra Kolla

Director

DIN No: 08851423

Saikrishnan C P

Chief Financial Officer

Place : Kancheepuram

Date : June 22, 2021

Shridhar Gokhale

Whole-Time Director

DIN No: 08349732

Sathyamoorthy A

Company Secretary

Cash Flow Statement for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

Note	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flows from operating activities		
Profit / (loss) before tax	635.29	9.70
<i>Adjustments:</i>		
Depreciation / amortisation	482.29	478.93
Asset written off	-	2.74
Provision for doubtful debts	328.42	129.29
Provision for doubtful receivables	-	14.54
Deposits/advances written off/written back	65.34	9.10
Interest income	(223.43)	(159.34)
Unrealised loss / (gain) on foreign exchange fluctuation	(0.45)	1.57
Liabilities / provisions no longer required written back	3.28	(333.72)
Provision for inventories	-	21.98
Provision for warranty	24.11	23.57
Finance costs	15.32	18.58
Operating cash flow before working capital changes	1,330.17	216.94
(Increase) / decrease in inventories	1,167.55	(1,201.35)
(Increase) / decrease in trade receivables	129.38	(1,336.34)
Increase in deposits and other financial asset	113.43	(217.90)
Decrease in other assets	(236.72)	138.13
Increase / (decrease) in trade payables, other liabilities and provisions	(2,189.11)	963.51
Cash generated from operating activities	314.70	(1,437.01)
(Income taxes paid) / refunds received	467.94	(13.19)
Net cash (used in) / from operating activities	(A) 782.64	(1,450.20)
Cash flows from investing activities		
Purchase of property, plant and equipment	(59.97)	(113.06)
Interest received	204.42	108.83
Bank deposits (having original maturity of more than three months)	(403.29)	(175.72)
Net cash used in investing activities	(B) (258.84)	(179.95)
Cash flows from financing activities		
Finance costs paid	(15.32)	(6.97)
Net cash used in financing activities	(C) (15.32)	(6.97)

Cash Flow Statement for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

Net increase in cash and cash equivalents	(A+B+C)	508.48	(1,637.12)
Cash and cash equivalents at the beginning of the year (see note below)		432.83	2,069.95
Cash and cash equivalents at the end of the year (see note below)		941.31	432.83

Notes to cash flow statement

		As at March 31, 2021	As at March 31, 2020
Components of cash and cash equivalents:	12(i)		
- Cash in hand		-	-
- Bank balances			
- on current accounts		892.05	70.46
- on cash credit accounts		49.26	362.37
		941.31	432.83

Significant accounting policies 3

As per our report of even date attached
for **ASA & Associates LLP**
Chartered Accountants
Firm's Registration No. - 009571N/N500006

G N Ramaswami
Partner
Membership No: 202363

Place : Chennai
Date : June 22, 2021

for and on behalf of the Board of Directors of
Indo Tech Transformers Limited

Sharat Chandra Kolla **Shridhar Gokhale**
Director Whole-Time Director
DIN No: 08851423 DIN No: 08349732

Saikrishnan C P **Sathyamoorthy A**
Chief Financial Officer Company Secretary

Place : Kancheepuram
Date : June 22, 2021

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

1 Company overview

- a. Indo Tech Transformers Limited ('Indo Tech' / 'the Company') is engaged in the business of manufacturing power and distribution transformers and various special application transformers, mobile sub-station transformers and sub-stations. The Company has its manufacturing plant located at Kancheepuram in Tamil Nadu.
- b. On 20 December 2019, Prolec GE Internacional, S de R.L de C.V., ('Prolec GE') and Shirdi Sai Electricals Limited ('SSEL') had entered into a Share Purchase Agreement (the 'SPA'). Pursuant to the SPA, SSEL had agreed to acquire from Prolec GE, being the promoter of the Company, 7,366,032 equity shares representing 69.36% of the equity share capital of the Company.

Since SSEL had entered into the SPA to acquire the voting rights in excess of 25% of the equity share capital and control over the Company, a mandatory open offer announcement was made by SSEL under Regulation 3(1) and Regulation (4) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto, for the acquisition of up to 2,724,375 fully paid-up equity shares of the Company, representing 25.65% of the total paid-up equity share capital of the Company. During the year ended 31 March 2021, SSEL had completed the open offer process as per SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and acquired 454,873 equity shares, which constitutes 4.28% of the total paid-up share capital of the Company.

Pursuant to the consummation of the aforementioned transaction contemplated under the SPA, SSEL has acquired 69.36% of the total paid-up equity share capital of the Company from Prolec GE and has become the promoter of the Company with effect from 3 September 2020.

2 Basis of preparation

a. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 specified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorised for issue by the Company's Board of Directors on June 22, 2021.

Details of the Company's accounting policies are included in Note 3.

- b. The Company had been incurring losses over the last few years and has accumulated losses as at the reporting date. In order to overcome this, the Company has developed a business plan to strengthen its financial position / liquidity and has initiated corrective measures to improve its operational performance. Based on the approved business plans, availability of banking limits, commitment and intention of the Holding Company to provide timely financial and other assistance as may be considered necessary to enable the Company to continue in operational existence for the foreseeable future, the Company believes that it would be able to meet its financial requirements and no adjustments would be required in respect of the carrying values of assets / liabilities. Accordingly, these financial statements have been prepared on a going concern basis.

c. Historical Cost Convention

The Financial Statements have been prepared under historical cost convention on accrual basis except for certain assets and liabilities as stated in the respective policies, which have been measured at fair value.

d. Current / Non-Current classification

The assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013. Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

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

e. Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

f. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit liability / (asset)	Present value of defined benefit obligations less Fair value of plan assets

g. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2021 is included in the following notes:

Note 3(c) - estimated useful life of property, plant and equipment and intangible assets;

Note 3(i) and Note 29 – recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources;

Note 7 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;

Note 17 – measurement of defined benefit obligations: key actuarial assumptions;

Note 3(f) – impairment of financial assets.

h. Measurement of fair values

A few of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 28 – financial instruments.

3 Significant accounting policies**a. Foreign currency****Foreign currency transactions**

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

b. Financial instruments**(i) Recognition and initial measurement**

Trade receivables and unbilled revenue are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through OCI (FVOCI) – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investments fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company

currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

c. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use 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.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Depreciation

Depreciation is provided on the straight-line method over the useful life as prescribed under Part C of Schedule II of the Companies Act 2013. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative period are as follows:

Asset	Useful life (in years)
Buildings	30-60
Plant and machinery	15
Office equipments	5
Computer and accessories	3-6
Furniture and fixtures	10
Vehicles	8

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

d. Intangible assets

(i) Recognition and measurement

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss. Intangible assets comprise of softwares purchased which are amortised over a period of 5 years.

e. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

Value of identified items of finished goods and work-in-progress are written down if estimated recoverable value of such item is lower than its cost.

f. Impairment

(i) Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the customer;
- a breach of contract such as a default / being significantly past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the customer will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Company's non-financial assets other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

g. Non-current assets held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

If the Company no longer satisfies the criteria for classification of such assets as held for sale, the assets are reclassified back to their original classification at the lower of its carrying value before the asset was classified as held for sale adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been reclassified as held for sale and its recoverable amount on the date of reclassification.

h. Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit plans

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 obligation 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'). In order to calculate the present value of economic benefits, consideration is given to any 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 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 used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), 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.

(iv) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

(v) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

i. Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

(i) Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on technical evaluation, historical warranty data and a weighting of all possible outcomes by their associated probabilities.

(ii) Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

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. Contingent assets are neither recognised nor disclosed in the financial statements.

j. Earnings per share

Basic earnings per share is computed by dividing net profit or loss for the year attributable to equity shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share amounts are computed after adjusting the effects of all dilutive potential equity shares. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares.

k. Revenue

The Company derives revenues primarily from sale of transformers and related services (i.e. freight, insurance and labour).

(a) Sale of goods

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales. Revenue from sale of goods is recorded net of allowances for estimated rebates, cash discounts and estimates of return of goods, all of which are established at the time of sale.

If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative standalone selling prices. In case of any modification to the contract, the entity recognises such modification as a separate contract if it increases both the performance obligation and the consideration due for such modification.

Arrangements with customers for sale of the goods are either on a fixed firm price basis or variable on a key material price change basis.

Amounts due in respect of price escalation claims and / or variation in sale are recognised as revenue only if the contract allows for such claims or variations and / or there is evidence that the customer has accepted it and it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Liquidated damages/penalties, warranties and contingencies are provided for, based on management's assessment of the estimated liability, as per the contractual terms and / or acceptance.

Revenues in excess of invoicing are classified as contract assets (i.e. unbilled revenue).

Consideration received before the transfer of goods to the customers are presented as a contract liability (i.e. advance from customers).

(b) Sale of services

Revenue from services is recognised as the performance obligation is satisfied in accordance with the terms of the relevant contract.

Disaggregation of revenue

The Company disaggregates revenue from contracts with customers by the nature of sale i.e. sale of transformers and sale of services and type of contracts viz fixed price contract and variable price contract. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors. Refer Note 20.

I. Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

m. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is engaged into the business of manufacture and sale of transformers and there are not more than one reportable segment as envisaged by Indian Accounting Standard 108 - Segment Reporting (Ind AS-108).

n. Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company recognises right-of-use asset (ROU) representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

o. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

p. Cash and cash equivalents

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

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

4 Property, plant and equipment

Particulars	Freehold land*	Buildings*	Plant and machinery*	Office equipments	Computer and accessories	Furniture and fixtures	Vehicles	Total
Gross carrying value								
Balance as at March 31, 2019	1,177.29	2,642.59	2,612.85	27.66	39.37	61.88	1.30	6,562.94
Additions		19.69	87.75	0.93	4.69			113.06
Deletions / write off			3.94	5.54	4.99	0.05	1.30	15.82
Balance as at March 31, 2020	1,177.29	2,662.28	2,696.66	23.05	39.07	61.83	-	6,660.18
Additions		23.68	26.00	6.70	3.59			59.97
Deletions / write off				-	-			-
Balance as at March 31, 2021	1,177.29	2,685.96	2,722.66	29.75	42.66	61.83	-	6,720.15
Accumulated depreciation								
Balance as at March 31, 2019	-	364.44	964.78	10.14	14.88	47.92	1.30	1,403.46
Depreciation during the year		121.54	345.19	3.87	4.49	1.67	-	476.76
Deletions / write off			1.66	5.08	4.99	0.05	1.30	13.08
Balance as at March 31, 2020	-	485.98	1,308.31	8.93	14.38	49.54	-	1,867.14
Depreciation during the year		122.01	346.26	9.58	1.59	1.58		481.02
Deletions / write off								
Balance as at March 31, 2021	-	607.99	1,654.57	18.51	15.97	51.12	-	2,348.16
Net block								
As at March 31, 2020	1,177.29	2,176.30	1,388.35	14.12	24.69	12.29	-	4,793.04
As at March 31, 2021	1,177.29	2,077.97	1,068.09	11.24	26.69	10.71	-	4,371.99

* Refer Note 35 to Financial Statements

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

5 Intangible assets

Particulars	Computer software	Total
Gross carrying value		
Balance as at April 1, 2019	11.06	11.06
Additions	-	-
Disposals	-	-
Balance as at March 31, 2020	11.06	11.06
Additions	-	-
Disposals	-	-
Balance as at March 31, 2021	11.06	11.06
Accumulated amortisation		
Balance as at April 1, 2019	5.22	5.22
Amortisation during the year	2.17	2.17
Disposals	-	-
Balance as at March 31, 2020	7.39	7.39
Amortisation during the year	1.27	1.27
Disposals	-	-
Balance as at March 31, 2021	8.66	8.66
Net block		
As at March 31, 2020	3.67	3.67
As at March 31, 2021	2.40	2.40

6 Non-current financial assets**(i) Deposits***(unsecured, considered good)*

Particulars	As at March 31, 2021	As at March 31, 2020
Deposits	226.22	198.95
Total	226.22	198.95

(ii) Other financial assets

Particulars	As at March 31, 2021	As at March 31, 2020
Bank deposit (due to mature after 12 months from the reporting date)*	301.66	302.54
Total	301.66	302.54

* Under lien with banks

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

7 Deferred tax assets, net

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax assets		
On Carried forward tax losses and other provisions*	378.43	439.85
	378.43	439.85
Deferred tax liabilities		
On excess of depreciation / amortisation on fixed assets under income-tax law over depreciation / amortisation provided in accounts	378.43	439.85
	378.43	439.85
Deferred tax assets (net)	-	-

* Deferred tax asset on unabsorbed depreciation or carry forward of losses are recognised only if there is a probable certainty of realisation of such assets. Hence, deferred tax asset on carried forward tax losses and other provisions has been restricted to the extent of deferred tax liabilities.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the unused tax losses amounting to Rs. 7,081.60 lakhs as at March 31, 2021 and Rs. 10,364.71 lakhs as at March 31, 2020 because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.

Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows.

Particulars	As at March 31, 2021	Expiry date	As at March 31, 2020	Expiry date
Expire (Note below)	3,828.50	Refer below	6,185.99	Refer below
Never expire	3,253.10		4,178.72	
Total	7,081.60		10,364.71	

Year of Expiry Financial year ending March 31	As at March 31, 2021	As at March 31, 2020
2021	-	2,357.49
2022	3,408.39	3,408.39
2023	420.11	420.11
Total	3,828.50	6,185.99

8 Other tax assets

Particulars	As at March 31, 2021	As at March 31, 2020
Tax payments pending adjustments (net of provision for taxes)	139.79	388.08
Total	139.79	388.08

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

9 Other non-current assets

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Balance with government authorities	33.23	33.23
Prepayments (unsecured, considered doubtful)	-	4.97
Balance with government authorities	22.43	22.43
Less: Provision for doubtful receivables	(22.43)	(22.43)
Total	33.23	38.20

10 Inventories

(valued at the lower of cost and net realisable value)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Raw material and components	920.44	1,242.50
Work-in-progress	2,504.43	2,863.90
Finished goods	106.27	518.63
Stores, spares and consumables	56.55	130.21
Total	3,587.69	4,755.24
Less: Provision for inventories	(133.33)	(133.33)
Total	3,454.36	4,621.91

Refer Note 35 to Financial Statements

11 Trade receivables

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Secured, considered good (Refer note 34)	411.71	401.86
Unsecured, considered good	6,655.48	6,857.12
Significant increase in credit risk	279.23	339.04
Credit impaired / doubtful	1,422.44	1,300.22
	8,768.86	8,898.24
Less: Loss allowance (Refer note below)	(1,841.74)	(1,513.32)
Net trade receivables	6,927.12	7,384.92

Note:

For trade receivables from related parties, refer note 31.

Refer Note 35 with respect to charge of trade receivables with banks

The Company's exposure to credit risks and loss allowances related to trade receivables are disclosed in note 28.

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

12 (i) Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents:		
Bank balances		
- on current accounts	892.05	70.46
- on cash credit accounts	49.26	362.37
Total	941.31	432.83

(ii) Other bank balances

Particulars	As at March 31, 2021	As at March 31, 2020
Deposit accounts with maturity up to twelve months*	1,236.50	832.33
Total	1,236.50	832.33

* Under lien with banks

13 Other current financial assets

Particulars	As at March 31, 2021	As at March 31, 2020
<i>To parties other than related parties</i>		
Interest accrued on deposits	50.66	31.65
Unbilled revenue	-	161.57
Reimbursement receivable	-	44.49
Total	50.66	237.71

14 Other current assets

Particulars	As at March 31, 2021	As at March 31, 2020
<i>(unsecured, considered good)</i>		
Advance to suppliers	723.74	85.29
GST receivable	44.34	536.15
Staff advances	55.35	57.85
Gratuity (Refer Note 17(a))	55.91	-
Prepayments	95.04	53.40
<i>(unsecured, considered doubtful)</i>		
Other receivables	14.54	14.54
Less: Provision for doubtful receivables	(14.54)	(14.54)
Total	974.38	732.69

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

15 A. Share capital**a The details of authorised, issued, subscribed and paid up share capital is as under:**

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised		
15,300,000 (March 31, 2020: 15,300,000) Equity Shares of Rs.10 each	1,530.00	1,530.00
Issued, subscribed and paid up		
10,620,000 (March 31, 2020: 10,620,000) Equity Shares of Rs.10 each fully paid up	1,062.00	1,062.00

b Reconciliation of the shares outstanding at the beginning and at the end of the year is as under:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
At the commencement and at the end of the year	1,06,20,000	1,062.00	1,06,20,000	1,062.00

c Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder in a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

d Shares held by holding company and / or their subsidiaries / associates

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs. 10 each fully paid up held by: Shirdi Sai Electricals Limited (holding Company from 03-09-2020)	78,20,905	782.09	-	-
Equity shares of Rs. 10 each fully paid up held by: Prolec GE Internacional, S de R.L de C.V., Mexico, (holding Company till 03-09-2020)	-	-	78,95,625	789.56

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

e Particulars of shareholders holding more than 5% shares of a class of shares

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	% of total shares in the class	Number of shares	% of total shares in the class
Equity shares of Rs. 10 each fully paid up held by: Shirdi Sai Electricals Limited (holding Company from 03-09-2020)	78,20,905	73.64%	-	-
Equity shares of Rs. 10 each fully paid up held by: Prolec GE Internacional, S de R.L de C.V., Mexico, (holding Company till 03-09-2020)	-	-	78,95,625	74.35%

B. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. It sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

16 Other Equity
a. Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

b. Capital reserve

Capital reserve represents the subvention (voluntary, non-repayable financial grant) of US\$ 25 million (Rs. 14,912.50 lakhs) received from the Prolec GE Internacional, S de R.L de C.V., Mexico, the erstwhile holding company.

c. General reserve

General reserve is the accumulation of retained earnings of the Company, apart from the statement of profit and loss balance, which is utilised for meeting future obligations.

d. Other comprehensive income

Remeasurements of defined benefit liability comprises of actuarial gains / losses and return on plan assets (excluding interest income).

17 Provisions

Particulars	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits				
Gratuity (Refer note 17 (a))	-	23.37	-	-
Compensated absences	99.13	92.70	28.46	25.54
	99.13	116.07	28.46	25.54
Other provisions (Refer note 17(b))				
Provision for warranty	-	-	272.51	248.40
Provision for others	-	-	57.33	-
	-	-	329.84	248.40
Total	99.13	116.07	358.30	273.94

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

(a) Provisions for employee benefits

For details about the related employee benefits expense, Refer note 24.

The Company operates the following post-employment defined benefit plans.

Gratuity: The Company has a defined benefit gratuity plan, governed by the Payment of Gratuity Act, 1972. It entitles an employee, who has rendered at least five years of continuous service, to gratuity 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. The gratuity plan is a funded plan and the Company makes contributions to a fund managed by the LIC. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

A. Funding

The gratuity plan is fully funded by the Company. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding of Plan is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in (D). Employees do not contribute to the plan.

B. Reconciliation of the net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
Reconciliation of present value of defined benefit obligation		
Balance at the beginning of the year	497.52	398.93
Benefits paid	(9.36)	(18.97)
Current service cost	38.74	33.89
Past service cost	-	-
Interest cost	32.81	28.88
Actuarial (gains) losses recognised in other comprehensive income		
changes in financial assumptions	(60.50)	10.23
experience adjustments	17.29	44.56
Balance at the end of the year	516.50	497.52
Reconciliation of the present value of plan assets		
Balance at the beginning of the year	474.15	352.73
Contributions made to the plan	77.51	116.01
Benefits paid	(9.36)	(18.96)
Interest income	31.56	25.79
Return on plan assets recognised in other comprehensive income	(1.45)	(1.42)
Balance at the end of the year	572.41	474.15

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
Present value of defined benefit obligation	516.50	497.52
Present value of plan assets	572.41	474.15
Net Liability/(Asset)	(55.91)	23.37

C. (i) Expense recognised in profit or loss

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
Current service cost	38.74	33.89
Past service cost	-	-
Interest cost	32.81	28.88
Interest income	(31.56)	(25.79)
Net gratuity costs recognised in profit or loss	39.99	36.98

(ii) Remeasurements recognised in other comprehensive income

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
Actuarial (gain) loss on defined benefit obligation	(43.21)	54.79
Return on plan assets excluding interest income	1.45	1.42
Total	(41.76)	56.21

D. Defined benefit obligation
(i) Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Discount rate	6.45%	6.80%
Long term rate of compensation increase	5.00%	6.50%
Estimated rate of return on plan assets	7.00%	7.30%

(ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	As at		As at	
	March 31, 2021		March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(23.50)	25.38	(24.41)	26.38
Future salary growth (0.50% movement)	25.31	(23.92)	25.96	(24.43)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

(b) Movements in other provisions

Particulars	Warranty		Others	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
At the commencement of the year	248.40	224.83	-	-
Provision made during the year	114.32	95.76	57.33	-
Provision utilised / written back during the year	(90.21)	(72.19)	-	-
At the end of the year	272.51	248.40	57.33	-

Provision for warranty: A provision is estimated for expected warranty claims in respect of products sold during the year on the basis of a technical evaluation and past experience regarding failure trends of products and costs of rectification or replacement. The provision for warranty is maintained over the period of the warranty, as per the terms of the contract.

Provision for others: This represents provisions made for probable liabilities / claims arising out of pending disputes / litigations with customs authorities.

18 Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
Dues of micro enterprises and small enterprises (Refer note 30)	652.00	798.72
Dues of creditors other than micro enterprises and small enterprises	3,116.99	4,856.62
Total	3,768.99	5,655.34

All trade payables are 'current'. For trade payables from related parties, refer note 31.

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 28.

19 Other current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Advance from customers	949.45	1,339.92
Employee benefits payable	122.47	111.35
Statutory dues payable	38.35	44.02
Total	1,110.27	1,495.29

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

20 Revenue from operations

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Sale of products	20,123.95	19,951.22
Total sale of products (A)	20,123.95	19,951.22
Sale of services		
Freight and insurance	186.39	225.38
Labour services	198.77	174.90
Total sale of services (B)	385.16	400.28
Other operating revenues		
Scrap sales	90.80	181.02
Total other operating revenues (C)	90.80	181.02
Total revenue from operations (A+B+C)	20,599.91	20,532.52

Disaggregation of revenue from contracts with customers

In the following disclosure, revenue from contract with customers is disaggregated by nature of contract.

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Type of contracts		
Fixed price	19,354.53	16,763.99
Variable price	1,245.38	3,768.53
	20,599.91	20,532.52

21 Other income

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest income from:		
Fixed deposit	54.26	101.43
Deposits remeasured at amortised cost	-	13.87
Income tax refund	169.17	44.04
Income from power generation	29.78	32.06
Liabilities / provisions no longer required written back	3.28	333.72
Miscellaneous income	35.21	17.35
Total	291.70	542.47

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

22 Cost of materials consumed

(including stores and spares)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Inventory of materials at the beginning of the year	1,372.71	1,826.86
Add: Purchases	13,134.08	16,559.02
Less: Inventory of materials at the end of the year	976.99	1,372.71
Cost of materials consumed	13,529.80	17,013.17

23 Changes in inventories of finished goods and work-in-progress

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Opening inventory		
Finished goods		
Transformers	518.63	330.98
Work-in-progress		
Transformers under production	2,863.90	1,396.05
	3,382.53	1,727.03
Closing inventory		
Finished goods		
Transformers	106.27	518.63
Work-in-progress		
Transformers under production	2,504.43	2,863.90
	2,610.70	3,382.53
Changes in inventories of finished goods and work-in-progress	771.83	(1,655.50)

24 Employee benefits expense

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, wages and bonus	2,039.05	1,934.06
Contribution to provident and other funds	86.57	86.74
Expenses related to post-employment defined benefit plans (Refer note 17)	39.99	36.98
Staff welfare expenses	86.09	100.35
Total	2,251.70	2,158.13

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

25 Finance costs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest - Bank	10.15	1.32
Interest - Others	5.17	17.26
Total	15.32	18.58

26 Depreciation and amortisation expense

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of property, plant and equipment (Refer note 4)	481.02	476.76
Amortisation of intangible assets (Refer note 5)	1.27	2.17
Total	482.29	478.93

27 Other expenses

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Rent	12.89	12.30
Rates and taxes	153.08	117.54
Power and fuel	194.82	220.84
Repairs and maintenance:		
- Buildings	112.69	101.92
- Plant and machinery	34.36	70.47
- Others	45.74	24.40
Contract labour	225.52	388.55
Factory expenses	268.97	253.85
Insurance	29.99	24.09
Printing and stationery	13.07	8.94
Travelling and conveyance	134.10	194.95
Communication expenses	10.73	8.67
Professional and legal charges	203.80	108.23
Payment to auditors (refer note below)	22.58	48.47
Directors' sitting fees	9.45	5.90
Advertisement and sales promotion	8.70	12.16
Agency commission	491.35	543.47
Royalty	98.47	-
Freight outward	306.22	380.50
Bank charges	286.44	224.76
Property, plant and equipment written off	-	2.74
Provision for doubtful debts	328.42	129.29

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

27 Other expenses (Continued)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Provision for doubtful receivables	-	14.54
Deposits written off	2.01	9.10
Advances written back in earlier years	63.33	-
Provision for inventories	-	21.98
Foreign exchange loss, net	2.82	4.89
Warranty cost, net	58.05	44.99
General expenses	87.78	74.44
Total	3,205.38	3,051.98

Note: Payment to auditors (excluding tax)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
As Auditor:		
Statutory audit	12.00	23.00
Tax audit	2.00	4.00
Limited review of quarterly results	5.75	9.75
Corporate Governance	1.00	2.00
Others	0.75	-
Reimbursement of expenses	1.08	9.72
Total	22.58	48.47

28 Financial instruments - Fair values and risk management**A. Accounting classifications and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

	Carrying amount as at March 31, 2021			Fair value
	FVTPL	FVOCI	Amortised cost	Level 3
Financial assets measured at fair value				
Nil	-	-	-	-
Financial assets not measured at fair value				
Deposits	-	-	226.22	
Trade receivables	-	-	6,927.12	
Cash and cash equivalents	-	-	941.31	
Other bank balances	-	-	1,236.50	
Unbilled revenue	-	-	-	
Bank deposits	-	-	301.66	
Interest accrued	-	-	50.66	
Total financial assets	-	-	9,683.47	
Financial liabilities not measured at fair value				
Trade payables	-	-	3,768.99	
Total financial liabilities	-	-	3,768.99	

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

28 Financial instruments - Fair values and risk management (continued)

	Carrying amount as at March 31, 2020			Fair value
	FVTPL	FVOCI	Amortised cost	Level 3
Financial assets measured at fair value				
Deposits	-	-	198.95	198.95
Financial assets not measured at fair value				
Trade receivables	-	-	7,384.92	
Cash and cash equivalents	-	-	432.83	
Other bank balances	-	-	832.33	
Unbilled revenue	-	-	161.57	
Bank deposits	-	-	302.54	
Interest accrued	-	-	31.65	
Other receivables	-	-	44.49	
Total financial assets	-	-	9,389.28	
Financial liabilities not measured at fair value				
Trade payables	-	-	5,655.34	
Total financial liabilities	-	-	5,655.34	

Note: The Company has not disclosed fair values of financial instruments such as trade receivables and related unbilled revenue, cash and bank balances, deposits, bank deposits, interest accrued and trade payables (that are short term in nature), because their carrying amounts are reasonable approximations of their fair values. Such items have been classified under amortised costs in the above table.

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk (See B(ii))
- Liquidity risk (See B(iii)) and
- Market risk (See B(iv))

(i) Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(ii) 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, and arises principally from the Company's trade receivables, deposits and other financial assets.

The carrying amount of financial assets represents the maximum credit exposure.

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company's trade receivables and other financial 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 country in which customers operate. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including end-user customers, industry, trading history with the Company and existence of previous financial difficulties.

Expected credit loss assessment for customers as at March 31, 2021 and March 31, 2020

The Company based on internal assessment which is driven by the historical experience / current facts available in relation to default and delays in collection thereof uses an allowance matrix to measure the expected credit loss of trade receivables. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables;

Particulars	March 31, 2021			March 31, 2020		
	Gross carrying amount	Weighted-average loss rate	Loss allowance	Gross carrying amount	Weighted-average loss rate	Loss allowance
Current (not past due)	3,929.37	0.17%	6.75	2,037.61	0.19%	3.85
1-90 days past due	1,303.81	0.63%	8.24	3,295.91	1.10%	36.12
More than 90 days past due	3,535.68	51.67%	1,826.75	3,564.72	41.33%	1,473.35
Total	8,768.86		1,841.74	8,898.24		1,513.32

Movements in the allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade receivables is as follows:

Particulars	2021	2020
Balance at 1 April	1,513.32	1,384.03
Amounts written off	-	-
Net remeasurement of loss allowance	328.42	129.29
Balance at 31 March	1,841.74	1,513.32

(iii) 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 approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, including contractual interest but excluding impact of netting agreements.

As at March 31, 2021

Particulars	Contractual cash flows		
	Carrying amount	1 year or less	More than 1 year
Trade payables	3,768.99	3,768.99	-
Total	3,768.99	3,768.99	-

As at March 31, 2020

Particulars	Contractual cash flows		
	Carrying amount	1 year or less	More than 1 year
Trade payables	5,655.34	5,655.34	-
Total	5,655.34	5,655.34	-

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

(iv) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The Company is domiciled in India and has its majority of revenues and other transactions in its functional currency i.e. Rs. Accordingly, the Company is not exposed to any high currency risk.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency. The currencies in which these transactions are primarily denominated is USD.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk are as follows:

Particulars	As at	As at
	March 31, 2021	March 31, 2020
	USD	USD
Trade and other receivables	17.25	-
Trade and other payables	(0.49)	(49.56)
Net exposure in respect of recognised assets and liabilities	16.76	(49.56)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Rs. against US dollar as at March 31 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2021				
USD (1% movement)	12.32	(12.32)	12.32	(12.32)
March 31, 2020				
USD (1% movement)	36.43	(36.43)	36.43	(36.43)

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

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Contingent liabilities:		
(a) Claims against the company not acknowledged as debt		
- Income tax matters	21.25	69.55
- Excise duty matters	214.70	187.18
- Service tax matters	91.34	83.39
- Sales tax matters	40.72	40.72

Notes:

Pursuant to the Supreme Court judgement dated February 28, 2019 on the inclusion of special allowances for contribution to provident fund, the Company has been legally advised that there are interpretative challenges on the application of the judgement retrospectively. Based on the legal advice and in the absence of the reliable measurement of the provision for earlier periods, the Company has not recorded a provision for the prior years.

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

- 30 The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2021 has been made in the financial statements based on information received and available with the Company.

Particulars	As at March 31, 2021	As at March 31, 2020
The amounts remaining unpaid to micro, small and medium suppliers at the end of the year		
- Principal	643.07	793.06
- Interest	8.93	5.66
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).	-	-
The amounts of payment made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	8.93	5.66
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-

31 Related party transactions

Names of related parties with whom controls exists and nature of relationship are as follows:

Nature of relationship	Name of the related party
Ultimate holding company	Xignux S.A. de C.V., Mexico (Till September 03, 2020)
Holding company	Prolec GE Internacional, S de R.L de C.V., Mexico (Till September 03, 2020)
Fellow subsidiary	Prolec S.A. de C.V., Mexico (Till September 03, 2020)
Holding company	Shirdi Sai Electricals Limited (From September 03, 2020)
Key Management Personnel	Mr. Shridhar Gokhale, Whole-Time Director Mr. Milagripattu Sundaravaradan Srinivasan, Independent Director (Resigned w.e.f August 07, 2020) Mr. Pallavur Venkateswaran Krishna, Independent Director (Retired w.e.f August 13, 2020) Ms. Tabassum Mustafa Wajid, Independent Director (Retired w.e.f August 13, 2020) Mr. Ricardo Garza Suarez, Director (Resigned w.e.f September 03, 2020)

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

31 Related party transactions (continued)

Nature of relationship	Name of the related party
	Dr. Sutanu Behuria, Independent Director (Appointed w.e.f August 19, 2020)
	Mr. Ajay Kumar Dhagat, Independent Director (Appointed w.e.f August 13, 2020)
	Ms. Leena Mukundh Sathyanarayanan , Independent Director (Appointed w.e.f November 05, 2020)
	Mr. Visweswara Reddy Narreddy, Director (Appointed w.e.f September 03, 2020)
	Mr. Sharat Chandra Kolla, Director (Appointed w.e.f September 03, 2020)
	Mr.Saikrishnan C P, Chief Financial Officer
	Mr Sathyamoorthy A, Company Secretary

Other related parties with whom transactions have taken place

Nature of relationship	Name of the related party
Subsidiary of material equity investor in the holding company (till September 03, 2020)	GE India Industrial Private Limited GE T&D India Limited GE Power Controls Italia Srl PT GE Operations Indonesia Alstom Grid Australia Pty Limited

Details of related party transactions

Nature of transaction	Year ended March 31, 2021	Year ended March 31, 2020
Agency commission paid / accrued		
GE India Industrial Private Limited (till September 03, 2020)	100.05	543.47
Royalty paid / accrued		
Prolec GE Internacional, S de R.L de C.V., Mexico	98.47	-
Service cost paid/ accrued		
Prolec GE Internacional, S de R.L de C.V., Mexico	112.50	-
Liability / provisions no longer required written back (Service Cost)		
GE India Industrial Private Limited (till September 03, 2020)	-	101.95
Sale of goods		
GE T&D India Limited (till September 03, 2020)	-	29.33
GE Power Systems India Private Ltd (till September 03, 2020)	-	5.42
GE Grid Australia Pty Ltd (till September 03, 2020)	2.70	-
Sale of services		
Shirdi Sai Electricals Ltd	2.00	-
GE Power Systems India Private Ltd (till September 03, 2020)	-	0.66

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

31 Related party transactions (continued)

Nature of transaction	Year ended March 31, 2021	Year ended March 31, 2020
Purchases of goods		
GE T&D India Limited (till September 03, 2020)	8.63	71.45
Shirdi Sai Electricals Ltd	11.55	-
GE Grid Solutions UK Limited (till September 03, 2020)	29.10	98.38
Job work Charges		
GE T&D India Limited	-	2.06
Shirdi Sai Electricals Ltd	0.23	
Reimbursement of expenses		
Prolec GE Internacional, S de R.L de C.V., Mexico	1.12	-
Managerial remuneration		
Mr. Shridhar Gokhale, Director	83.87	72.24
Mr Saikrishnan C P, CFO	35.59	30.18
Mr Sathyamoorthy A, Company Secretary	21.22	15.57
Sitting Fees (Key Management Personnel)	9.45	5.90

Balances at year end	As at March 31, 2021	As at March 31, 2020
Balances due from		
GE India Industrial Private Limited	NA	0.10
GE T&D India Limited	NA	13.97
Shirdi Sai Electricals Limited	2.36	-
Balances due to		
GE India Industrial Private Limited	NA	1,522.40
Shirdi Sai Electricals Limited	6.56	-
GE Grid Solutions UK Limited	NA	29.10
GE T&D India Limited	NA	27.12

- 32 The Company is engaged in the business of manufacture and sale of transformers and there are not more than one reportable segment as envisaged by Indian Accounting Standard 108 - Segment Reporting (Ind AS-108).

Geographical information

Revenue attributed to the Company's country of domicile and foreign countries from which the Company derives revenues is as under;

Particulars	As at March 31, 2021	As at March 31, 2020
India	18,433.83	20,532.52
Rest of the world	2,166.08	-
Total	20,599.91	20,532.52

Notes to financial statements for the year ended March 31, 2021

(All amounts are in Indian Rupees lakhs, except share data or as stated)

33 Earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Profit for the year, attributable to the equity holders	628.58	192.03
Weighted average number of equity shares	1,06,20,000	1,06,20,000
Earnings per equity share:		
- Basic	5.92	1.81
- Diluted	5.92	1.81

- 34** The Company had entered into an agreement with Shirdi Sai Electricals Limited, whereby Shirdi Sai Electricals Limited has assured the Company that they would make good the loss to the benefit of the Company in case certain identified customers do not pay or default in the payment of outstanding dues. Based on the agreement, the balance outstanding from these customers has been presented as secured.

35 Working Capital facilities from Banks

The Working Capital facilities availed from banks are secured by hypothecation of stock, book debts, current assets (both present and future), plant & machinery and equitable mortgage of certain land and building of the company at Kancheepuram, Pazhavor village and Thirumazhisai Village.

36 Impact of COVID-19 pandemic

The Company's operations and financial results for the quarter ended 30 June 2020 have been impacted due to the outbreak of COVID-19 pandemic and lockdown restrictions. In view of the economic impact as a result of the pandemic, the Company has considered internal and external information and has performed an analysis based on current estimates while assessing the recoverability of assets including, trade receivables, inventories and other current / non-current assets (net of provisions established) for any possible impact on the financial results. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial controls etc., and is of the view that based on its current assessment, this situation does not materially impact these financial results. The Company will continue to closely monitor any material changes to future economic conditions.

37 Transfer pricing

The Company has transactions with related parties. For the financial year 2019-20, the Company has obtained the Accountant's Report from a Chartered Accountant as required by the relevant provisions of the Income-tax Act, 1961 and has filed the same with the tax authorities. For the financial year 2020 -21, the management confirms that it maintains documents as prescribed by the Income-tax Act, 1961 to prove that these transactions are at arm's length considering the economic scenario, prevailing market conditions etc. and the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

- 38** The Company is in the process of reconciling the monthly returns filed under the Central Goods and Services Tax Act, 2017 ("CGST Act") with its books and records to file the annual return for FY 2020-21. Adjustments, if any, consequent to the said reconciliation will be given effect to in the financial statements on completion of reconciliation and filing of returns. However, in the opinion of the Management, the impact of the same will not be material.

39 Prior Year Comparatives

Previous year figures have been re-grouped/ re-classified, wherever necessary, to confirm to current year's classification and presentation

As per our report of even date attached

for **ASA & Associates LLP**
Chartered Accountants

Firm's Registration No. - 009571N/N500006

G N Ramaswami

Partner

Membership No: 202363

Place : Chennai

Date : June 22, 2021

for and on behalf of the Board of Directors of
Indo Tech Transformers Limited

Sharat Chandra Kolla
Director
DIN No: 08851423

Shridhar Gokhale
Whole-Time Director
DIN No: 08349732

Saikrishnan C P
Chief Financial Officer

Sathyamoorthy A
Company Secretary

Place : Kancheepuram

Date : June 22, 2021

NABL Accredited Testing Facility



ISO 14001 : 2015 - Environmental Management System



If undelivered please return to:

INDO TECH TRANSFORMERS LIMITED

Secretarial Department
Survey no. 153-210, Illuppapattu Village,
Near Rajakulam, Kancheepuram (Dist.),
Tamilnadu-631561