

The background of the cover features a low-angle shot of several high-voltage electrical transmission towers and power lines stretching across a landscape. The sun is low on the horizon, creating a warm, golden glow. In the foreground, a large transformer is visible. A blue and orange diagonal graphic element is on the left side. The company name 'INDO TECH' is in a red box at the top right, and the title 'Annual Report 2022-2023' is centered in the middle.

INDO TECH

**Annual Report
2022-2023**

Annual General Meeting on
Friday, September 29, 2023 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

Shridhar Gokhale
Whole-Time Director

Sharat Chandra Kolla
Non-Executive Director

Sudheer Vennam
Non-Executive Director

Ajay Kumar Dhagat
Independent Director

Sutanu Behuria
Independent Director

Leena M Sathyanarayanan
Independent Director

Chief Financial Officer

Saikrishnan C.P.

Company Secretary & Compliance Officer

Manikandan M

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

K Suryanarayanan, Cost Accountant
Flat A, Brindhavan Apartments, No. 1, Poes Road 4th Street,
Teynampet, Chennai - 600 018

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
IndusInd Bank

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 **31ST Annual General Meeting ('AGM')** of the Members of Indo-Tech Transformers Limited will be held on Friday, September 29, 2023, 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, 2023, and the Reports of the Directors and Auditors thereon.**
- (2) **To appoint a Director in place of Mr. N Visweswara Reddy (DIN : 02996298), who retires by rotation and being eligible, offers himself for re-appointment.**

SPECIAL BUSINESS:**(3) 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 2023-24, 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 2023-24
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 enable 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.

(4) Ratification of the Remuneration of the Cost Auditor for FY 2022-23

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. 2,05,000/- (Rupees Two Lakhs and Five Thousand 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 Mr. K Suryanarayanan, Cost Accountant (Registration No: 102347), who was appointed by the Board of Directors of the Company on May 19, 2023 to fill the casual vacancy caused by resignation of M/s. Thanigaimani & Associates, for conducting the audit of the cost records of the Company for the financial year ending on March 31, 2023.

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.

(5) **Ratification of the Remuneration of the Cost Auditor for FY 2023-24**

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. 2,05,000/- (Rupees Two Lakhs and Five Thousand Only) plus Tax at the applicable rates and reimbursement of out of pocket expenses to Mr. K Suryanarayanan, Cost Accountant (Registration No: 102347), 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, 2024.

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 : August 31, 2023

Manikandan M
Company Secretary
Membership No : A65166

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) 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. The aforesaid relaxation has been further extended vide MCA General Circular 10/2022 dated December 28, 2022, to allow the companies to organized AGM through VC or OAVM in the year 2023 on or before September 30, 2023. 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 cskvarma@outlook.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. Further, SEBI vide its Circular dated January 05, 2023, extended the relaxation till September 30, 2023. In compliance with the aforesaid Circulars, the Notice of the Annual General Meeting along with the Annual Report for the financial year 2022-23 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories. However, the company shall send hard copy of annual report to those shareholders who request for the same. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2022-23 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 31st AGM.
- (9) Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of Friday, September 22, 2023 may cast their vote by remote e-Voting. **The remote e-Voting period commences on Tuesday, September 26, 2023 at 9.00 a.m. (IST) and ends on Thursday, September 28, 2023 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 M G Kiran Varma, Practicing Company Secretary, 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 September 23, 2023, to September 29, 2023 (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 : Brief Profile of Director**

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	N Visweswara Reddy
DIN	02996298
Age	56
Date of appointment	September 03, 2020
Qualification	Graduate Mechanical Engineer.
Experience	<p>He has a vast experience in industry of service, repair and reconditioning of transformers business.</p> <p>In the reins of entrepreneurship, as Managing Partner of Ms. Shirdi Sai Electricals, he has ventured the company into EPC business to undertake rural electrification works, substation works and other transmission and distribution related projects in the country.</p> <p>He has received National Energy Conservation Award from Ministry of Power in 2014 for his contribution to produce a greater number of energy efficient transformers in the country.</p>
No. of shares held as on March 31, 2023	Nil
Directorship in other public Companies	3
Chairman / Member of Committees of Company	Chairman of the Board

Item No. 3: 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, 2023. 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 2023-24
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 	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. 	Rs 50 Crores
4	Any other person/ entity which is a Related Party		<ul style="list-style-type: none"> Availing or rendering of any services 	

Except Mr. N. Visweswara Reddy, Mr. Sharat Chandra Kolla and Mr. Sudheer Vennam, 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: Ratification of the remuneration of Cost Auditor FY 2022-23

M/s. Thanigaimani & Associates, Cost Accountants, who was appointed as the Cost Auditor for the Financial Year 2022-23 at the Board Meeting of the Company held on August 12, 2022 and whose remuneration has been ratified on the Annual General Meeting held on September 29, 2022, has tendered his letter of resignation as cost auditor of the company on May 15, 2023.

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 May 19, 2023, appointed Mr. K Suryanarayanan, Cost Accountant (Registration No: 102347) as Cost Auditor for the Financial year 2022-23 at a remuneration of Rs. 2,05,000/- (Rupees Two Lakhs and Five Thousand 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. 5: Ratification of the remuneration of Cost Auditor FY 2023-24

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 May 19, 2023 appointed Mr. K Suryanarayanan, Cost Accountant (Registration No: 102347) as Cost Auditor for the Financial year 2023-24 at a remuneration of Rs. 2,05,000/- (Rupees Two Lakhs and Five Thousand 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.

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

Manikandan M
Company Secretary
Membership No : A65166

Place : Kancheepuram
Date : August 31, 2023

Annexure – A

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> & Click on “Login”.

- ▶ 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 with the company.
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 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.

InstaVote Support Desk

Link Intime India Private Limited

Annexure – B

Remote e-Voting Instructions for shareholders

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

1. Individual Shareholders holding securities in demat mode with NSDL
 1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
 2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
 3. 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 i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
2. Individual Shareholders holding securities in demat mode with CDSL
 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
 3. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
 4. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on 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, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
3. Individual Shareholders (holding securities in demat mode) login through their depository participants. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful 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 the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

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

1. Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

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

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

** Shareholders holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

** Shareholders holding shares in **NSDL form**, shall provide ‘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).

3. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
2. E-voting page will appear.
3. 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).
4. 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.

Guidelines for 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.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at toll free no. 1800 22 55 33

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders 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.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

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

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned 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”.

InstaVote Support Desk

Link Intime India Private Limited

DIRECTORS' REPORT

Your Directors are pleased to present the Company's **31st Annual Report** together with the Audited Financial Statements for the financial year ended **March 31, 2023**.

FINANCIAL RESULTS

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

(Rupees in lakhs)

PARTICULARS	Current Year 2022-2023	Previous Year 2021-2022
Revenue from Operations	37,090.49	28,006.73
Other Income	266.44	168.51
Total Income	37,356.93	28,175.24
Earnings before Interest, Tax, Depreciation & Amortization	3,324.10	1,857.56
Less: Interest, Depreciation & Amortization Expenses	753.92	609.97
Earnings Before Tax	2,570.18	1,247.59
Less: Tax Expenses	0.00	28.64
Earnings After Tax	2,570.18	1,218.95
Other Comprehensive Income/ (Expense)	7.99	(29.68)
Total Comprehensive Income	2,578.17	1,189.27

Financial results for the financial year ended March 31, 2023, are prepared in compliance with the Indian Accounting Standards (Ind- AS) prescribed under Section 133 of the Companies Act, 2013.

PERFORMANCE REVIEW

Your Company has reported annual revenue from operations for FY 2022-23 INR 37,090.49 Lakhs which is 32% increase from previous year revenue of INR 28,006.73 Lakhs. The EBITDA for the FY 2022-23 stood at INR 3,324.10 Lakhs reporting a growth of 79% as compared to the EBITDA of INR 1,857.56 for the FY 2021-22. The Profit After Tax (PAT) for the FY 2022-23 stood at INR 2,570.18 Lakhs reporting a growth of 111% as compared to the PAT of INR 1,218.95 Lakhs for the FY 2021-22.

Our continuous focus is to improve productivity, control the non-operational cost and deliver the best quality transformers. Owing to the raw material cost, 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 and sustain the margin in the coming years.

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company comprises of seven 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 year, Mr. Sudheer Vennam (DIN: 09656671) was inducted as Additional Director of the Company with effect from August 12, 2022.

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
Mr. Sudheer Vennam	– Non-Executive Director

During the year, Mr. Sathyamoorthy A, resigned as Company Secretary with effect from April 30, 2022, and Mr. Manikandan M was appointed as Company Secretary of the company with effect from May 27, 2022.

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. Manikandan M	– 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 May 11, 2022; May 27, 2022; June 14, 2022, August 12, 2022; November 10, 2022; February 02, 2023, and March 07, 2023.

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 composition during the year are as follows:

S. No	Name of the Committee	Composition
1.	Audit Committee	i) Mr. Ajay Kumar Dhagat, Chairman ii) Dr. Sutanu Behuria, Member iii) Mr. Sharat Chandra Kolla, Member iv) Ms. Leena M Sathyanarayanan, Member
2.	Nomination and Remuneration Committee	i) Mr. Ajay Kumar Dhagat, Chairman ii) Dr. Sutanu Behuria, Member iii) Mr. Sharat Chandra Kolla, Member
3.	Stakeholders' Relationship Committee	i) Mr. Sharat Chandra Kolla, Chairman ii) Mr. Ajay Kumar Dhagat, Member iii) Mr. Shridhar Gokhale, Member
4.	Corporate Social Responsibility Committee	i) Mr. Sharat Chandra Kolla, Chairman ii) Ms. Leena M Sathyanarayanan, Member iii) 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, 2023, 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 2022-23 and of the statement of Profit 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, 2023, 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, currently the independent directors are paid sitting fee of Rs. 40,000/- 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, Nomination & Remuneration Committee and Corporate Social Responsibility Committee meetings.

SUCCESSION PLANNING

The Company believes that sound succession plans for the senior leadership are very important for creating a robust future for the Company. The Nomination and Remuneration Committee in consultation with the Board of Directors work along with the Human Resource team of the Company for a structured leadership succession plan.

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 "1".

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.

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 Bhawe & Co., Company Secretaries, Pune to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2023. The Secretarial Audit Report in Form MR-3 is given in Annexure – II, forming part of this report.

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.

COST AUDITORS

M/s. Thanigaimani & Associates, Cost Accountants, who were appointed as the Cost Auditor for the Financial Year 2022-23 at the Board Meeting of the Company held on August 12, 2022, and whose remuneration was ratified at the Annual General Meeting held on September 29, 2022, tendered letter of resignation as cost auditors of the company on May 15, 2023.

In order to fill the casual vacancy caused due to resignation of M/s. Thanigaimani & Associates, based on recommendation of the Audit Committee, the Board of Directors of the Company on their meeting held on May 19, 2023 appointed Mr. K Suryanarayanan, Cost Accountant (Registration No: 102347) as Cost Auditor of the Company for the financial year 2022-23 to fill the casual vacancy, on a remuneration as mentioned in the Notice convening the 31st Annual General Meeting for conducting the audit of the cost records maintained by the Company.

With respect to the current financial year 2023-24, 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 Mr. K Suryanarayanan, Cost Accountant (Registration No: 102347) as the Cost Auditor of the Company for the financial year 2023-24, on a remuneration as mentioned in the Notice convening the 31st Annual General Meeting for conducting the audit of the cost records maintained by the Company.

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 2022-23.

MAINTENANCE OF COST RECORDS

The Company has maintained required cost accounts and records as prescribed under Section 148(1) of the Companies Act, 2013.

TRANSFER TO RESERVES

During the year under review, no amount was transferred to the General Reserves of the Company.

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 the 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 March 31, 2023, 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, as amended, also form part of this Annual Report. However, having regard to the provisions of second proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information, is being sent to all the members of the Company and others entitled thereto. The said information is open for inspection and any member interested in obtaining the same may write to the Company Secretary and will be furnished on request.

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 brief outline of the Corporate Social Responsibility ('CSR') policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in Annexure - III of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 including any statutory modifications/amendments thereto for the time being in force. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report.

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.

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.

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 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 the 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

Your Company is more focused towards the promotion of innovative ideas and has invested sufficient resources for research and development. It includes additional heater to increase the Viscosity of Furnace oil for burning to 100% and elimination of the thermal energy losses by providing the Heat Insulation & Rinsing the thermic fluid pipeline by filling new thermic fluid which help us to remove the dust contamination in pipeline In order to meet fire and environmental safety standards, your

company has developed product filled with natural ester coolants which is fire safe and environment friendly.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company's exposure to foreign currency risk at the end of the reporting period mentioned in Note 29 to the financial statements for the year ended March 31, 2023.

REPORTING OF FRAUDS

During the year under review, the Statutory Auditor, Cost Auditor and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee and / or Board under section 143(12) of the Act.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

During the Financial Year under review, no regulator or court has passed any significant and / or material orders impacting the going concern status of the Company and its future operations.

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 2022-23, there were no cases reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

PROCEEDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 ('IBC')

No application was made or any proceedings were pending against the company under the Insolvency and Bankruptcy Code, 2016 during the year.

OTHER DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions / events on these items during the year under review:

- a) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b) Issue of Shares (including Sweat Equity Shares) to employees of the Company under any Scheme.
- c) Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3) (c) of the Act).
- d) There has been no change in the nature of business of your Company.
- e) The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions.
- f) There was no revision of financial statements and Board's Report.

SUBSIDIARY COMPANIES

As at March 31, 2023, 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

N Visweswara Reddy
Chairman
DIN : 02996298

Shridhar Gokhale
Whole-Time Director
DIN : 08349732

Place: Kancheepuram
Date : May 19, 2023

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

- (i) Details of contracts or arrangements or Transactions not at arm's length basis: Nil
- (ii) 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 2022-23 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, 2023.

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

Place : Kancheepuram
Date : May 19, 2023

N Visweswara Reddy
Chairman
DIN: 02996298

Shridhar Gokhale
Whole-Time Director
DIN : 08349732

Annexure - II
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2023

*[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 2022 to 31st March 2023, 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 me and representations made by the Management. I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2023 ("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 physical and 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 for the purpose of issuing this report for the financial year ended on 31st March 2023.

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. **(SEBI (SAST) 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, 2018; **[Not applicable during the Audit Period]**
 - (d) Securities and Exchange Board of India SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021; **[Not applicable during the Audit Period]**
 - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **[Not applicable during the Audit Period]**
 - (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **[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, 2018; **[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:

1. There was resignation of Mr. A Sathyamoorthy as Company Secretary (KMP) of the company w.e.f. April 30, 2022 and appointment of Mr. M Manikandan as Company Secretary (KMP) of the company w.e.f. May 27, 2022.
2. The Board of directors have co-opted Mr. Sudheer Vennam as Non-executive director of the Company w.e.f. August 12, 2022 and subsequently appointed as Non-executive Director at the annual general meeting held on September 29, 2022.

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 Bhavé & Co.
Company Secretaries

Jayavant B. Bhavé
Proprietor
FCS: 4266 CP: 3068
PR NO: 1238/2021
UDIN:F004266E000308680

Place : Pune
Date : May 19, 2023

**ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF INDO-TECH TRANSFORMERS LIMITED (2022-2023)
AUDITORS' RESPONSIBILITY**

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

In accordance with the ICSI Auditing Standards (CSAS1 to CSAS4) I wish to state as under-

- Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility as the Auditor is to express the opinion on the compliance with the applicable laws and maintenance of Records based on Secretarial Audit conducted by me.
- The Secretarial Audit needs to be conducted in accordance with applicable Auditing Standards. These Standards require that the Auditor should comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of Records.
- I am also responsible to perform procedures to identify, assess and respond to the risks of material misstatement or non-compliance arising from the Company's failure appropriately to account for or disclose an event or transaction. However, due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit was properly planned and performed in accordance with the Standards.

Accordingly, 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. Where ever 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.

For J B Bhave & Co.
Company Secretaries

Jayavant B. Bhave
Proprietor

FCS: 4266 CP: 3068

PR NO: 1238/2021

UDIN:F004266E000308680

Place : Pune

Date : May 19, 2023

Annexure – III

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2022-23

1. Brief outline on CSR Policy of the Company.

The Company has a defined CSR Policy in compliance with the applicable laws. The Company committed to operate and grow its business in a socially and environmentally responsible manner & contribute to transform the quality of life in all its Areas of Business Operations. We believe that only through our actions as Responsible Corporate that we become worthy of respect of all the stakeholders and earn our true License to Operate from our local communities.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sharat Chandra Kolla	Chairperson (Non-Executive Director)	1	1
2	Mr. Shridhar Gokhale	Member (Whole-Time Director)	1	1
3	Ms. Leena M Sathyanarayanan	Member (Independent Director)	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

https://www.indo-tech.com/wp-content/uploads/2023/02/indotech_csr_Policy.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set - off for the financial year, if any (in Rs)
Not Applicable			

6. Average net profit of the company as per section 135(5) : Rs. 6.31 Crores.

7. (a) Two percent of average net profit of the company as per section 135(5) : Rs. 12.62 Lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : Nil

(c) Amount required to be set off for the financial year, if any : Nil

(d) Total CSR obligation for the financial year (7a + 7b - 7c) : Rs 12.62 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (Rs. in Lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
14.93	Nil	-	-	Nil	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation -Through Implementing Agency	
				State	District						Name	CSR Registration number.
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (Rs. In Lakhs)	Mode of implementation Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR Registration Number
1	Sponsoring development activities in the field of rural education to Panchayat Middle School, Rajakulam, Kancheepuram	Promoting education and rural development	Yes	Tamil Nadu,	Kancheepuram	14.93	Yes	-	-

(d) Amount spent in Administrative Overheads : Nil

(e) Amount spent on Impact Assessment, if applicable : Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Not Applicable

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (Rs in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	12.62
(ii)	Total amount spent for the Financial Year	14.93
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2.31
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2.31

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
Not Applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial years:

Sl. No.	Project ID.	Name Of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed / Ongoing.
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s): None

Amount of CSR spent for creation or acquisition of capital asset : Nil

(b) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.,: Not Applicable

(c) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Not Applicable

For and on behalf of the Board of Directors

INDO-TECH TRANSFORMERS LIMITED

Place : Kancheepuram

Date : May 19, 2023

N Visweswara Reddy

Chairman

DIN:02996298

Shridhar Gokhale

Whole-Time Director

DIN : 08349732

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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 towards the shareholders and other stakeholders. We believe that effectual Corporate governance requires a clear understanding of the respective roles of the Board and the senior management and their relationships with others in the corporate structure. This approach to value creation emanates from our belief that a sound governance system, based on relationship and trust, is integral to creating enduring value for all.

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. The Board of Directors fully support and endorse Corporate Governance practices and attempts to go beyond the statutory requirements.

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 expertise in their areas of specialization. The Board of Directors has the primary responsibility of overseeing the operations of the Company. The Board comprises of Seven Directors viz., three Independent and four 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. Visweswara Reddy	C & NED	02996298	03/09/20	1	--	3	--
Mr. Shridhar Gokhale	WTD	08349732	07/02/19	--	--	--	5000
Mr. Sharat Chandra Kolla	NED	08851423	03/09/20	--	--	2	--
Mr. Ajay Kumar Dhagat	NED (I)	00250792	13/08/20	--	1	3	--
Dr. Sutanu Behuria	NED (I)	00051668	19/08/20	--	3	3	--
Ms. Leena M Sathyanarayanan	NED (I)	08947423	05/11/20	--	--	--	--
Mr. Sudheer Vennam	NED	09656671	12/08/22	--	--	1	--

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 economic 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. Visweswara Reddy	Business knowledge, industry experience, behavioral skills, strategic decision making, law & policies and technical skills/ professional skills
Mr. Shridhar Gokhale	Business knowledge, industry experience, behavioral skills, strategic decision making, law & policies and technical/ 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
Mr. Sudheer Vennam	Business knowledge, industry experience, behavioral skills, strategic decision making, law & policies 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 with 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 May 11, 2022; May 27, 2022; June 14, 2022; August 12, 2022; November 10, 2022; February 10, 2023 and March 07, 2023.

Director Name	Attendance on Meetings held on							AGM
	11 May 2022	27 May 2022	14 Jun 2022	12 Aug 2022	10 Nov 2022	10 Feb 2023	07 Mar 2023	29 Sep 2022
Mr. Visweswara Reddy	✓	LoA	LoA	LoA	LoA	✓	LoA	✓
Mr. Shridhar Gokhale	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Sharat Chandra Kolla	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Ajay Kumar Dhagat	✓	✓	✓	✓	✓	✓	✓	✓
Dr. Sutanu Behuria	✓	✓	✓	✓	✓	✓	✓	LoA
Ms. Leena M Sathyanarayanan	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Sudheer Vennam	NA	NA	NA	NA	✓	✓	✓	✓

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

INDEPENDENT DIRECTORS

To ensure the highest standards of integrity, corporate credibility, transparent governance and to uphold the interests of Stakeholders, Company has conferred significant powers and responsibilities to three directors who are independent from the Management. The Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board.

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, the 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. Ajay Kumar Dhagat
- Dr. Sutanu Behuria
- Ms. Leena M Sathyanarayanan

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 Thirty First 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, Mr. Sharat Chandra Kolla and Mr. Sudheer Vennam, 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, Nomination and Remuneration Committee and Corporate Social Responsibility 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.

Meetings and Attendance: The Committee members met five (5) times during the financial year ended March 31, 2023. The Attendance of members at the Committee Meetings is given below:

Members	Attendance on Meetings held on				
	27 May 2022	14 Jun 2022	12 Aug 2022	10 Nov 2022	10 Feb 2023
Mr. Ajay Kumar Dhagat, Chairman	✓	✓	✓	✓	✓
Dr. Sutanu Behuria	✓	✓	✓	✓	✓
Ms. Leena M Sathyanarayanan	✓	✓	✓	✓	✓
Mr. Sharat Chandra Kolla	✓	✓	✓	✓	✓

(✓- 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 on 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 of 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 of Related Party Transactions of the Company or any subsequent modification thereof.

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.

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 consisted of three Non-Executives Directors with an independent Director as Chairman and the Company Secretary as the Secretary of the Committee.

The Committee met three (3) times during the financial year ended March 31, 2023. The Attendance of Members at the Meetings held during the financial year is given below:

Members	Attendance on Meetings held on		
	27 May 2022	12 Aug 2022	10 Nov 2022
Mr. Ajay Kumar Dhagat, Chairman	✓	✓	✓
Dr. Sutanu Behuria	✓	✓	✓
Mr. Sharat Chandra Kolla	✓	✓	✓

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.

The Committee consisted of one independent director, one executive director and one non-executive director as Chairman of the Committee. The Company Secretary as the Secretary of the Committee.

Composition and the attendance of Members at the Meetings held during the financial year ended March 31, 2023, is given below:

Members	Attendance on Meetings held on
	27 May 2022
Mr. Sharat Chandra Kolla, Chairman	✓
Mr. Ajay Kumar Dhagat	✓
Mr. Shridhar Gokhale	✓

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 of the date of the report no queries were held as unattended.

Particulars	Numbers
Number of Complaints outstanding as at April 01, 2022	0
Number of Complaints received during the year ended March 31, 2023	0
Number of Complaints resolved during the year ended March 31, 2023	0
Number of Complaints outstanding as at March 31, 2023	0

NAME, DESIGNATION AND ADDRESS OF COMPLIANCE OFFICER

Mr. Manikandan M, Company Secretary & Compliance officer

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

Phone: 044-27281854

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The CSR committee of the Board is in compliance with Section 135, Rules made thereunder and Schedule VII of companies Act, 2013.

The terms of reference and role of the CSR Committee includes:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per Schedule VII of the Companies Act, 2013 and CSR Rules made thereunder

- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- To monitor the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The Committee consisted of one independent director, one executive director and one non-executive director as Chairman for the Committee. The Company Secretary as the Secretary of the Committee.

Committee met once during the financial year ended March 31, 2023. The Attendance of Members at the Meetings held during the financial year is given below:

Members	Attendance on Meetings held on
	10 Feb 2023
Mr. Sharat Chandra Kolla, Chairman	✓
Mr. Shridhar Gokhale	✓
Ms. Leena M Sathyanarayanan	✓

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.

For the Financial Year ended	Date and Time	Venue	Special Resolutions Passed
March 31, 2022	September 29, 2022 At 10.30 A.M	Registered Office of the Company, Kancheepuram District, Tamil Nadu Through Video Conference / Other Audio-Visual Mode (OAVM)	• NIL

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 Independent Directors

The Remuneration paid to Non-Executive Independent Directors as sitting fees for the financial year ended March 31, 2023 is summarized below:

Name	Sitting fees (in Rs.)
Mr. Ajay Kumar Dhagat	4,30,000
Mr. Sutanu Behuria	4,25,000
Ms. Leena M Sathyanarayanan	4,15,000
Total	12,70,000

The Company did not have any material pecuniary relationship or transactions with Non- Executive Directors Independent apart from paying sitting fees.

(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
1	Gross Salary	77.15
2	Stock Options	--
3	Others (Incentives)	--
Total		77.15

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, 2021	September 08, 2021 At 10.30 A.M	Registered Office of the Company, Kancheepuram District, Tamil Nadu Through Video Conference / Other Audio-Visual Mode (OAVM)	• NIL
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)	• Appointment of Mr. Ajay Kumar Dhagat (DIN: 00250792) as Independent 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 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. The company is in compliance with the SCORES and during the financial year, no complaint was reported.

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

31st Annual General Meeting

The **31st Annual General Meeting** will be held on **Friday, September 29, 2023, 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, 2023	Second week of August 2023
Results for the quarter ending September 30, 2023	Second week of November 2023
Results for the quarter ending December 31, 2023	Second week of February 2024
Results for the quarter ending March 31, 2024	Third week of May 2024
AGM for the Financial year ending March 31, 2023	First week of September 2023

Date of book closure:

September 23, 2023, to September 29, 2023 (both days inclusive)

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.

Stock Code

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

BSE Limited

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

National Stock Exchange of India Limited

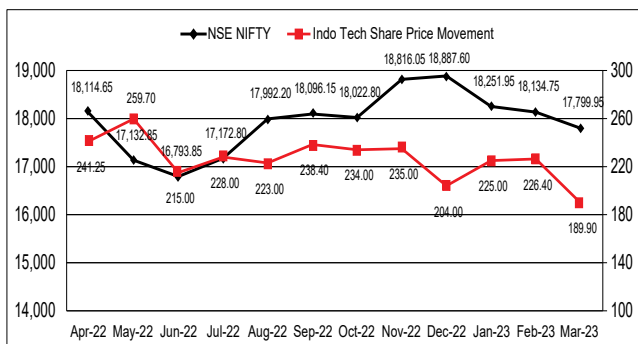
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051

STOCK PRICE DATA

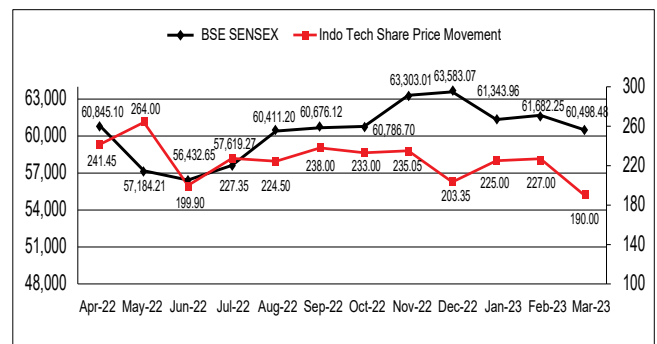
Month	NSE		BSE	
	High	Low	High	Low
Apr-22	241.25	212.20	241.45	213.00
May-22	259.70	175.35	264.00	175.20
Jun-22	215.00	150.60	199.90	151.60
Jul-22	228.00	170.05	227.35	170.05
Aug-22	223.00	175.30	224.50	170.50
Sep-22	238.40	175.50	238.00	175.55
Oct-22	234.00	204.30	233.00	201.25
Nov-22	235.00	176.60	235.05	175.55
Dec-22	204.00	175.10	203.35	176.00
Jan-23	225.00	179.15	225.00	179.90
Feb-23	226.40	175.30	227.00	176.40
Mar-23	189.90	163.65	190.00	163.70

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.

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, 2023.

SHAREHOLDING SUMMARY AS ON MARCH 31, 2023

Category	Total Shares	% to Equity
Physical	1,702	0.02
NSDL	92,49,581	87.10
CDSL	13,68,717	12.89
Total	1,06,20,000	100.00

SHAREHOLDING SUMMARY AS ON MARCH 31, 2023

Category	No. of Shares	Percentage
Indian Promoter Company	74,35,407	70.01
Foreign Promoter Company	5,29,593	4.99
Hindu Undivided Family	1,54,898	1.46
Non-Resident (Non Repatriable)	9,459	0.09
Non-Resident Indians	39,074	0.37
Body Corporate - Ltd Liability Partnership	10,623	0.10
Other Bodies Corporate	2,84,910	2.68
Public	21,54,262	20.28
Clearing Members	1,774	0.02
Total	1,06,20,000	100.00

DISTRIBUTION SCHEDULE AS ON MARCH 31, 2023

No. of Equity Shares held	No. of Shareholders	% to Shareholders	No. of Shares	% of Shareholding
1 to 500	8,800	92.58	6,76,490	6.37
501 to 1000	339	3.57	2,71,532	2.56
1001 to 2000	166	1.75	2,42,647	2.28
2001 to 3000	66	0.69	1,69,711	1.60
3001 to 4000	39	0.41	1,36,105	1.28
4001 to 5000	19	0.20	90,142	0.85
5001 to 10000	40	0.42	2,72,381	2.56
Greater than 10000	36	0.38	87,60,992	82.50
TOTAL	9,505	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, 2023, 1,06,18,298 shares were held in dematerialized form which constitute approx. 99.98 % 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 dematerialized 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 dematerialized form. Therefore, Members holding

shares in physical form were requested to consider converting their shareholding to dematerialized 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	July 15, 2022	ICRA Limited	Long Term Rating	[ICRA] BBB- (Stable)
			Short Term Rating	[ICRA] A3

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.

The Ministry of Corporate affairs (MCA) for extended the relaxations provided for companies for conducting Annual General Meeting (AGM) through Video Conferencing (VC) or through other audio-visual means (OAVM) and dispensation of requirement of printing and dispatch 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 on or before September 30, 2023.

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 sending physical copies of the Annual Report unless specific request for physical copy of Annual Report is made to the company by the shareholder.

PLANT LOCATION & ADDRESS FOR CORRESPONDENCE**INDO-TECH TRANSFORMERS LIMITED**

Survey No. 153-210, Illuppapattu Village Near Rajakulam, Kancheepuram (Dist.), Tamil Nadu – 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 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. 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 UTILIZATION 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, 2023.

RECOMMENDATIONS OF COMMITTEE OF BOARD OF DIRECTORS

During the year ended March 31, 2023, all recommendations made by the Committees of the Board of Directors (viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility 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 2022-23 are mentioned below:

S.No	Particulars of fees	(Rupees in Lakhs)
1	Statutory audit	15.00
2	Tax audit	2.00
3	Limited review of quarterly results	5.50
4	Corporate Governance	1.00
5	Others	0.75
6	Reimbursement of expenses	0.80
	Total	25.05

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.

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, 2023.

DIVIDEND POLICY

The 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 Educations 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 domestic suppliers. The price differences are adequately covered in the selling price of the finished products and the 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 the 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 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 dematerialized 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

N Visweswara Reddy
Chairman
DIN : 02996298

Shridhar Gokhale
Whole-Time Director
DIN : 08349732

Place: Kancheepuram
Date : May 19, 2023

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 assumes no responsibility to publicly amend, modify or revise forward-looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Some important factors that could influence the Company's operations comprise pricing and demand & supply conditions in global and domestic markets, changes in government regulations, tax laws, litigation, industrial relations, economic & geo-political developments, and such other factors.

ECONOMIC AND INDUSTRIAL HIGHLIGHTS

The Global Economy

The global economy remains in a precarious state amid the protracted effects of the overlapping negative shocks of the pandemic, aftermath situation in Eastern Europe, and the sharp tightening of monetary policy to contain high inflation. The resilience that global economic activity exhibited earlier this year is expected to fade. - Global Economic Prospects Report 2023 by World Bank.

The report also states that although global headline inflation has been decelerating as a result of base effects, abating supply chain pressures, and falling commodity prices, core inflation in many countries remains elevated, and inflation is above target in almost all inflation-targeting economies.

In EMDEs, aggregate growth is projected to edge up to 4 percent in 2023, almost entirely due to a rebound in China following the removal of strict pandemic-related mobility restrictions. Excluding China, growth in EMDEs is set to slow substantially to 2.9 percent this year.

Growth in several major economies was stronger than envisaged at the beginning of the year, with faster-than-expected economic reopening in China and resilient consumption in the United States. The increasing demand for transformers in US market has its positive impact on Indian Transformer market as well.

INDUSTRY

Despite the worsening crisis, global electricity demand remained relatively resilient, growing by almost 2% in 2022. By 2025, for the first time in history, Asia will account for half of the world's electricity consumption and one-third of global electricity will be consumed in China. Over the outlook period, global electricity demand is set to grow at an accelerated pace, by an annualized 3%, as electricity consumption increases in emerging markets and developing economies (EMDEs), led by

the People's Republic of China (hereafter "China"), India and Southeast Asia - Electricity Market Report, 2023.

As the energy crisis abates, global electricity demand growth is set to rise from 2.6% in 2023 to an average 3.2% in 2024-2025. This stronger growth is well above the pre-pandemic rate of 2.4% observed in the 2015-2019 period. Indeed, by 2025 demand will increase by 2 500 TWh (Terawatt-hour) from 2022 levels.

The demand for power transformers is driven by the initiatives taken by the government to provide electricity to everyone. Governments across the world are taking initiatives to supply electricity to rural and inaccessible areas, thus increasing the demand for rural electrification. By 2030, the government aims to increase non-fossil fuel-based energy capacity to 500 GW, meeting 50% of its energy requirements by renewable energy sources, and reduce carbon intensity of the economy to less than 45%.

Instability in the pricing of raw materials is a major restraint in the power transformers market. The instability is due to the volatility in the raw material prices of steel, copper, and crude oil. Additionally, the power transformer prices vary by manufacturer, market conditions, and location of the production facility which results in competitive advantage to few big market players.

The transformer manufacturing market is moving towards the evolution of independent and self-regulating smart transformers. Smart transformers are programmed to maintain contact with the stakeholders and provide information and feedback on the power supply.

Indian Economy – Opportunities and Threats

In India, which accounts for three-quarters of output in the region, growth in early 2023 remained below what it achieved in the decade before the pandemic as higher prices and rising borrowing costs weighed on private consumption. However, manufacturing rebounded into 2023 after contracting in the second half of 2022, and investment growth remained buoyant as the government ramped up capital expenditure. Private investment was also likely boosted by increasing corporate profits.

Opportunities

India's power sector has undergone a remarkable transformation, aimed at providing reliable, affordable, and sustainable energy to its people. With an installed generation capacity of more than 416 GW as of March 31, 2023, India is currently the third-largest generator of electricity in the world.

Financial year 2022-23 has seen India's power sector achieving new milestones and meeting the aspirations

of a rapidly growing nation. While peak demand touched a new high of ~216 GW, gross generation crossed 1600 BUs (Billing Units) for the first time. With the addition of more than 15 GW of RE capacity during the year, the installed RE capacity (including large Hydro) crossed 40% of the total installed capacity. Amidst all these developments, universal access to affordable power remains the primary goal for the Power sector.

In India, the robust post-pandemic recovery continued to support strong electricity demand of over 8.4% in 2022, which was substantially higher than the average annual growth rate of 5.3% seen in the 2015-2019 period. The global stature of the Indian Power Sector is depicted well by its positioning in terms of generation capacity. India is ranked 3rd in the World in terms of electricity generation, 4th in installed renewable energy capacity, 5th and 6th in installed Solar and Hydro capacity respectively as reported by international agencies like IEA, Statista, IRENA, etc.

Power demand in India has grown at a CAGR of about 5.66 percent in last 5 years. Growth in electricity demand has been met by rapid capacity addition of thermal projects in the earlier years. However, the quick addition of renewable in the last few years and lower than envisaged growth in demand for electricity, has led to lower PLF (Plant Load Factor) of thermal power plants. However, resumption of economic activities post COVID-19 restrictions has seen a positive impact in terms of PLF of coal fired thermal power plants which stood at 64.15% for financial year 2023.

The introduction of tariff-based competitive bidding (TBCB) mechanism has defined one of the most striking contours in the power reforms landscape. It was decided that all forms of power procurement would take place only through the TBCB route. TBCB projects by private players is a positive outlook for Extra High Voltage (EHV) Transformer Manufacturers. TBCB has created a new breed of private sector power transmission developers and there has been a significant reduction in tariffs, ultimately benefiting the end-consumer.

In the budget, announced in February 2023, Green Growth was identified as a major priority area for giving a direction for growth for the economy. The budget provided for schemes like Green Hydrogen Mission, Energy Transition towards net zero objective, thrust on Energy Storage projects, etc. On the other hand, the financial health of electricity DISCOMs is an area of key concern threatening the very viability of the power sector. Recognizing the difficulties faced by the DISCOMs, the Government has implemented a set of comprehensive measures under UDAY (Ujwal DISCOM Assurance Yojana) to help distribution utilities achieve operational and financial turnaround.

Your company's synergies with the parent company SSEL continues to pave way for favorable business opportunities with wide market reach.

Threats

Power sector is a highly capital-intensive business with long gestation periods before commencement of revenue streams, especially for projects using conventional technology. 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 Electrical grade Steel (technical shortform CRGO) are the major raw material which contributes more than 60% cost of total raw material.

Adverse price movement of both commodities can impact the margins of the Company. The Copper price is determined by the London Metal Exchange (LME). 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. 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.

3. Financial Health of State Discoms

The financial health of electricity DISCOMs is an area of key concern threatening the very viability of the power sector. DISCOMs are the weakest link in the electricity supply chain and have been suffering on account of operational inefficiencies; inadequate investments in distribution network as well as lack of timely and adequate tariff revisions to help recover costs.

4. 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.

5. 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.

6. Increase in working capital borrowings and high working capital intensity

Lower cash accruals, delayed payments from clients including state power utilities and private players and delays in project execution results in tightening of liquidity. Further, the operations of manufacturers in India are more working capital intensive mainly due to relatively higher inventory holding and receivable period, lack of adequate mobilization advances. This is mainly due to lack of product standardization, delays in processes of testing and issuance of completion certificates and delays in receipt of payments.

OUTLOOK

Growing population along with increasing electrification and per capita usage will further provide impetus to the rising demand for electricity. Many power sector reforms are being introduced by the Government to bring efficiency, promote decarbonization and ensure (24X7) reliable and affordable power supply.

Affordable and reliable power in a sustainable manner is the guiding principle for India's Power Sector. Government's major initiatives focus on transition from fossil fuel based energy to cleaner & greener sources of energy and strengthening distribution sector by improving operational & financial efficiency of DISCOMs and augmenting distribution infrastructure. Thus, the future outlook for the industry and that of your company is positive.

In the backdrop of a challenging operating environment in this fiscal, we dynamically managed our business to deliver strong bottom line performance whilst growing our market share and sustaining our product quality. We will continue to take this approach in financial year 2023-24 where operating environment is expected to remain challenging with further input cost inflation and competitive market conditions.

Our balanced approach, brand value, our execution prowess and adaptability to market conditions continue to hold us in good position. We remain confident of sustaining the market share and maintaining margins at healthy levels. Notwithstanding these near-term challenges, Indian power sector offers significant potential for growth. In the mid-long term, we will continue to create value for all our stakeholders by growing ahead of the market, delivering quality product and continual upgradation of technologies.

RISKS AND CONCERNS

The Company monitors the external environment and manages its internal environment to mitigate the risks / concerns on a continuous basis. The key risks are underutilized manufacturing

capacities across our industry, an unprecedented spiraling of raw material prices, lack of adequate sources of finance, etc., The Company does not apprehend any inherent risk in the long run with exception to above mentions. Apart from this the Industry is highly labour intensive and is subject to stringent labour laws.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company believes in systematic working and placing of proper checks. The Company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorised, recorded and reported properly. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies. The company has a well-defined delegation of power with authority limits for approving contracts as well as expenditure. Processes for formulating and reviewing annual and long-term business plans have been laid down.

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 department and entity level controls through existing policies and procedures, primarily to identify any significant gaps and define key actions for improvement. Management assessed 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, 2023, were effective.

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.

M/s. G Balu Associates LLP, 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. M/s. ASA & Associated LLP, the statutory auditors of the company have audited the financial statements included in this annual report and have issued an attestation report on the company's internal control over financial reporting (as defined in section 143 of Companies Act 2013).

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial performance of the Company has been discussed in Directors Report under the heading 'Financial Results and the Operations Review. 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 Company is taking a balanced view on scaling up manufacturing operations and timely delivery to enable adequate cash flow for the operations. Despite all challenges, the Company is fully focused on attaining sustainable growth with the best practices at operations along with the expertise off and guidance of its parent company.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

Human Resources

The Company strongly believes that its employees are the most valuable asset. In view of this, it is committed to equip them with skills, enabling them to evolve with technological advancements. The focus on strengthening the processes of attracting, developing, engaging and retaining the human asset was continued during the year.

With the robust systems and processes, an agile and responsive approach, the Company continued its efforts on digitalization, process improvement, employee engagement and improving the work life balance contributing its own share in achieving the business goal and outcome for FY 2022-23. Your company recognizes the demand for new technology and digitalization as a tool for sustainability. It continues to undertake various digitalization initiatives for smooth transition towards a more sustainable environment in future.

Your Company continued its approach to management development on the belief that learning initiatives must remain

synergistic and aligned to business outcomes. Building skills and capabilities for the present and the future is on the top of our learning agenda. This is achieved through periodical trainings that have enhanced productivity and product performance on quality front. The company continues to identify and recognize the performing employees through "Employee of the Month" scheme.

The Company attaches utmost importance to the operational safety standards. Necessary proactive and preventive measures are regularly undertaken to ensure that the Health, Safety and Environment standards are followed for the safety of employees and equipment.

We take immense pride in the technical and functional excellence of our employees. We attach much importance to learning and development of our employees. The HR department continuously strives to maintain and promote harmony and co-ordination among workers, staff and members of the senior management.

Cautionary Statement

This report is based on the experience and information available to the Company in the transformer business and assumption in regard to domestic and global economic conditions, government and regulation policies etc. The performance of the Company is dependent on these factors. It may be materially influenced by the changes therein beyond the Company's control, affecting the views expressed in or perceived from this report.

FINANCIAL HIGHLIGHTS

Rs. in Lakhs

	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Gross Sales & Other Income	37,357	28,175	20,892	21,075	21,463	23,016	16,591	22,318	18,671	11,455
Net Sales & Other Income	37,357	28,175	20,892	21,075	21,463	22,472	15,059	20,263	17,363	10,485
Earnings before Depreciation, Interest and Tax (EBDIT)	3,324	1,858	1,155	507	-268	151	-308	937	632	-529
Depreciation	482	452	482	479	519	474	482	535	518	299
Profit After Tax	2,570	1,219	629	192	-839	-369	-1,127	402	-374	-1,880
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	16,028	13,450	12,261	11,591	11,455	12,348	12,757	14,425	14,023	-450
Net Worth	17,090	14,512	13,323	12,653	12,517	13,410	13,819	15,487	15,085	612
Gross Fixed Assets	7,646	6,887	6,731	6,671	6,563	5,987	5,909	10,106	10,003	9,888
Net Fixed Assets	4,416	4,139	4,374	4,797	5,159	5,034	5,429	6,215	6,635	7,047
Total Assets	30,066	23,837	18,660	20,193	19,346	20,868	20,868	21,269	20,659	18,270

KEY INDICATORS	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Earnings per Share (in Rs.)	24.20	11.48	5.92	1.81	-7.90	-3.48	-10.62	3.79	-3.52	-17.7
Turnover per share (in Rs.)	351.76	265.30	196.72	198.45	202.10	216.72	156.22	210.16	175.82	107.35
Book value per share (in Rs.)	160.93	36.65	125.45	119.14	117.86	126.27	130.12	145.83	142.04	5.76
Debt : Equity Ratio	0.07:1	--	--	--	--	--	--	--	--	20.62:1
EBDIT / Gross Turnover %	9%	7%	5%	2%	-1%	1%	-2%	4%	3%	-5%
Net Profit Margin %	7%	4%	3%	1%	-4%	-2%	-7%	2%	-2%	-19%
RONW %	15%	8%	5%	2%	-7%	-3%	-8%	3%	-2%	-307%
ROCE %	16.4%	9.6%	5.0%	0.2%	-6.2%	-2.4%	-5.7%	2.7%	0.7%	-121.1%

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

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 2023, 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, 2023.

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, 2023.

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: 23202363BGSQK9709

Place : Chennai

Date : May 19, 2023

CERTIFICATION BY CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER

We hereby certify that for the financial year ending March 31, 2023, 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:

- a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- b) 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.
- c) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ending March 31, 2023, which are fraudulent, illegal or in violation of the Company's code of conduct.
- d) 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.
- e) 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 : May 19, 2023

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, 2023, 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 : May 19, 2023

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

Opinion

We have audited the accompanying Ind AS financial statements ("the financial statements") of Indo Tech Transformers Limited ("the Company"), which comprise the balance sheet as at March 31, 2023, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including 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 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, 2023, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Sr No	Key Audit Matter	Auditor's Response
1	<p>Revenue from Operations:</p> <p>Revenue of the Company mainly comprises of sale of transformers to its customers and related services.</p> <p>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.</p> <p>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.</p> <p>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.

Sr No	Key Audit Matter	Auditor's Response
2	<p>Trade Receivables:</p> <p>The Company has significant outstanding from customers including past dues.</p> <p>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.</p> <p>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.

Other Information

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, Business Responsibility Report, and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions.

Responsibilities of Management and Those Charged with Governance for the 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 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) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that

an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the matters to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, and to the best of our information and according to the explanations give to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V 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 as at March 31, 2023 on its financial statements – Refer Note No. 30 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on

behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

- v. The Company has neither declared nor paid any dividend during the year.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 relating to maintaining books of account using accounting software which has a feature of recording audit trail (edit log facility) is applicable to the Company only with effect from April 1, 2023 and accordingly reporting under clause (g) of Rule 11 is not applicable for the current financial year.

for ASA & ASSOCIATES LLP

Chartered Accountants

Firm Registration No: 009571N/N500006

G N Ramaswami

Partner

Place : Chennai

Date : May 19, 2023

Membership No: 202363

UDIN: 23202363BGSQTT9925

Annexure - A
referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’
of our report of even date

- i. (a) (A) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars of intangible assets.
- (b) A portion of the Property, Plant and Equipment were physically verified during the year by the management in accordance with phased program of verification, which in our opinion covers all the fixed assets at reasonable intervals. According to the information and explanation given to us no material discrepancies were noticed on such physical verification;
- (c) According to the information and explanations given to us and on the basis of audit procedures performed by us, 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.
- (d) According to information and explanations given to us and audit procedures performed by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.
- (e) According to information and explanations given to us and audit procedures performed by us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. According to information and explanations given to us and audit procedures performed by us, no discrepancies were noticed on verification between the physical stocks and book records that were more than 10% in the aggregate of each class of inventory.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. According to information and explanations given to us and on the basis of our examination of the records of the Company, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company, except as follows:

(Amounts in lakhs)

Name of the Banks	Quarter	Amount as per books of account	Amount as reported in the quarterly Return/ Statement	Amount of Differences	Reason for Discrepancies (As explained by the management)
State Bank of India , Bank of Baroda and Indusind	Mar-23	12,306.19	12,850.00	543.81	Provisional numbers shared with Bank, actuals will be submitted after audit

- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, and Limited Liability partnerships or any other parties. Accordingly, reporting under clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.
- iv. According to information and explanations given to us and audit procedures performed by us, the Company has neither made any investments nor has given loans or provided guarantee or security and therefore the relevant provisions of Section 185 and 186 of the Companies Act, 2013 are not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of its manufactured goods and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii (a) According to the information provided and explanations given to us and based on our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it. There are no material outstanding statutory dues existing as on the last day of the financial year which is outstanding for more than six months from the day they becomes payable.

(b) According to the information provided and explanations given to us, the details of duty of excise and value added tax that have not been deposited on account of dispute are as under:

(Amounts in lakhs)

Name of the Statute	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
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

^ 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

viii. According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year and accordingly reporting under clause 3 (viii) of the Order is not applicable to the Company.

ix. (a) According to the information and explanations given to us and audit procedures performed by us, the Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to the lenders during the year.

(b) According to the information and explanations given to us, the Company has not been declared as willful defaulter by any bank or financial institution or government or any government authority.

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

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiary, associate or joint venture as defined under the Companies Act, 2013 during the year and accordingly reporting under clause 3 (ix)(e) and clause 3 (ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.

(b) According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally

convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) According to the information and explanations given by the management and based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year accordingly reporting under clause 3 (xi)(a) of the order is not applicable.

(b) According to the information and explanations given to us, no report under sub-section 12 of section 143 of the Act, in ADT-4 has been filed by the auditors during the year and hence clause 3 (xi)(b) of the order is not applicable.

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

xii. According to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us, the transactions entered with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

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

(b) We have considered the internal audit reports of the Company issued till date, for the year under audit.

xv. According to the information and explanations given to us, in our opinion the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of

India. Accordingly, reporting under clause 3(xvi)(c) and (d) of the Order are not applicable.

xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly reporting under clause 3(xviii) of the Order is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the information and explanation as made available to us by the management of the Company up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanation given to us, as per the provision of Corporate Social Responsibility u/s 135 of The Companies Act, 2013, The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred to the special account as on the date of our audit report and hence reporting under clause 3 (xx) is not of the Order is not applicable to the Company.

for ASA & ASSOCIATES LLP

Chartered Accountants

Firm Registration No: 009571N/N500006

G N Ramaswami

Partner

Membership No: 202363

Place : Chennai

Date : May 19, 2023

UDIN: 23202363BGSQTT9925

Annexure - B to the Independent Auditors' Report

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, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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, 2023, based on the internal control over financial reporting criteria

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

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

G N Ramaswami
Partner
Place : Chennai
Date : May 19, 2023
Membership No: 202363
UDIN: 23202363BGSQTT9925

Balance Sheet as at March 31, 2023

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

	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	4,408.32	4,137.90
Capital work-in-progress	4	114.23	114.34
Intangible assets	5	8.14	1.13
Financial assets			
Others	6	308.16	353.00
Deferred tax assets, net	7	58.30	-
Non-current tax assets	8	103.97	159.29
Other non-current assets	9	33.23	33.23
Total non-current assets		5,034.35	4,798.89
Current assets			
Inventories	10	7,140.89	5,156.45
Financial assets			
Trade receivables	11	12,860.61	8,159.15
Cash and cash equivalents	12(i)	1,294.75	2,226.76
Bank balances other than above	12(ii)	2,941.50	2,023.54
Other financial assets	13	102.85	1,021.71
Other current assets	14	691.01	450.65
Total current assets		25,031.61	19,038.26
Total Assets		30,065.96	23,837.15
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,062.00	1,062.00
Other equity	16	16,028.37	13,450.20
Total equity		17,090.37	14,512.20
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	129.09	10.89
Provisions	18	121.08	84.46
Total non-current liabilities		250.17	95.35
Current liabilities			
Financial liabilities			
Borrowings	17 (i)	1,004.42	45.00
Trade payables	19		
- total outstanding dues of micro enterprises and small enterprises		1,550.13	1,255.56
- total outstanding dues of creditors other than micro enterprises and small enterprises		7,367.41	5,720.97
Other current liabilities	20	2,009.86	1,753.70
Provisions	18	770.50	454.37
Current tax liabilities(Net)		23.10	-
Total current liabilities		12,725.42	9,229.60
Total liabilities		12,975.59	9,324.95
Total equity and liabilities		30,065.96	23,837.15

The accompanying notes form an integral part of these 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 : May 19, 2023

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

Chairman

DIN No: 02996298

Shridhar Gokhale

Whole-Time Director

DIN No: 08349732

Saikrishnan C P

Chief Financial Officer

Manikandan M

Company Secretary

Place : Kancheepuram

Date : May 19, 2023

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

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

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	21	37,090.49	28,006.73
Other income	22	266.44	168.51
Total income		37,356.93	28,175.24
Expenses			
Cost of materials consumed	23	27,699.70	21,357.05
Changes in inventories of finished goods and work-in-progress	24	(1,311.76)	(1,742.08)
Employee benefits expense	25	2,957.37	2,510.56
Finance costs	26	271.71	157.83
Depreciation and amortisation expenses	27	482.21	452.14
Other expenses	28	4,687.52	4,192.15
Total expenses		34,786.75	26,927.65
Profit / (Loss) before tax		2,570.18	1,247.59
Tax expenses:			
Current tax		58.30	-
Current tax pertaining to earlier years		-	28.64
Deferred tax (represents MAT Credit Entitlement)		(58.30)	-
Total Tax Expense		-	28.64
Profit / (Loss) after tax		2,570.18	1,218.95
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit liability	18	7.99	(29.68)
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total comprehensive income for the year		2,578.17	1,189.27
Earnings per equity share:			
(face value of Rs.10 per share)	34		
- Basic		24.20	11.48
- Diluted		24.20	11.48

The accompanying notes form an integral part of these 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 : May 19, 2023

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

N Visweswara Reddy

Chairman

DIN No: 02996298

Saikrishnan C P

Chief Financial Officer

Place : Kancheepuram

Date : May 19, 2023

Shridhar Gokhale

Whole-Time Director

DIN No: 08349732

Manikandan M

Company Secretary

Statement of Changes in Equity for year ended March 31, 2023

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

A. EQUITY SHARE CAPITAL

Current Reporting Period

Balance as at April 1, 2022	Changes in equity share capital due to prior period years	Restated Balance as at April 1, 2022	Changes in equity share capital during the period	Balance as at March 31, 2023
1,062	-	1,062	-	1,062

Previous Reporting Period

Balance as at April 1, 2021	Changes in equity share capital due to prior period years	Restated Balance as at April 1, 2021	Changes in equity share capital during the period	Balance as at March 31, 2022
1,062	-	1,062	-	1,062

B. Other equity

Particulars	Reserves and surplus				Items of other comprehensive income	Total Equity
	Securities premium	Capital reserve	General reserve	Retained earnings	Remeasurements of defined benefit liability	
Balance as at April 1, 2022	3,758.48	14,912.50	1,933.53	(6,998.72)	(155.59)	13,450.20
Profit for the year	-	-	-	2,570.18	-	2,570.18
Other comprehensive income	-	-	-	-	7.99	7.99
Total comprehensive income	-	-	-	2,570.18	7.99	2,578.17
Balance as at March 31, 2023	3,758.48	14,912.50	1,933.53	(4,428.54)	(147.60)	16,028.37
Balance as at April 1, 2021	3,758.48	14,912.50	1,933.53	(8,217.67)	(125.91)	12,260.93
Profit for the year	-	-	-	1,218.95	-	1,218.95
Other comprehensive income	-	-	-	-	(29.68)	(29.68)
Total comprehensive income	-	-	-	1,218.95	(29.68)	1,189.27
Balance as at March 31, 2022	3,758.48	14,912.50	1,933.53	(6,998.72)	(155.59)	13,450.20

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 : May 19, 2023

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

N Visweswara Reddy

Chairman

DIN No: 02996298

Saikrishnan C P

Chief Financial Officer

Place : Kancheepuram

Date : May 19, 2023

Shridhar Gokhale

Whole-Time Director

DIN No: 08349732

Manikandan M

Company Secretary

Cash Flow Statement for the year ended March 31, 2023

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

Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flows from operating activities		
Profit / (loss) before tax	2,570.18	1,247.59
<i>Adjustments:</i>		
Depreciation / amortisation	482.21	452.14
Asset written off	1.64	2.24
Provision for doubtful debts	248.37	295.47
Provision for doubtful receivables	-	0.12
Provision for Liquidated Damages	36.66	-
Interest income	(125.75)	(89.82)
Unrealised loss / (gain) on foreign exchange fluctuation	23.55	18.80
Liabilities / provisions no longer required written back	(96.22)	23.05
Provision for inventories	116.31	-
Provision for warranty	152.81	65.59
Finance costs	271.71	157.83
Operating cash flow before working capital changes	3,681.47	2,173.01
(Increase) / decrease in inventories	(2,100.75)	(1,702.09)
(Increase) / decrease in trade receivables	(4,957.83)	(1,545.88)
Increase in deposits and other financial asset	878.95	(953.89)
Decrease in other assets	(180.66)	523.61
Increase / (decrease) in trade payables, other liabilities and provisions	2,258.21	3,722.79
Cash generated from operating activities	(420.61)	2,217.55
(Income taxes paid) / refunds received (net)	26.39	(48.14)
Net cash (used in) / from operating activities	(394.22)	2,169.41
	(A)	
Cash flows from investing activities		
Purchase of property, plant and equipment (including Capital work in progress)	(761.16)	(333.36)
Interest received	127.71	100.13
Bank deposits (having original maturity of more than three months)	(841.24)	(639.62)
Net cash used in investing activities	(1,474.69)	(872.85)
	(B)	

Cash Flow Statement for the year ended March 31, 2023

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

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flows from financing activities			
Finance costs paid		(140.72)	(67.00)
Short term borrowings (net)		927.19	
Long term borrowings (net)		150.43	55.89
Net cash used in financing activities	(C)	936.90	(11.11)
Net increase in cash and cash equivalents	(A+B+C)	(932.01)	1,285.45
Cash and cash equivalents at the beginning of the year (see note below)		2,226.76	941.31
Cash and cash equivalents at the end of the year (see note below)		1,294.75	2,226.76
Notes to cash flow statement			
		As at	As at
		March 31, 2023	March 31, 2022
Components of cash and cash equivalents:	12(i)		
- Cash in hand		-	-
- Bank balances			
- on current accounts		12.92	2.97
- on cash credit accounts		897.49	2,223.79
- on deposit accounts (with original maturity of 3 months or less)		384.34	-
		1,294.75	2,226.76

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 : May 19, 2023

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

N Visweswara Reddy
Chairman
DIN No: 02996298

Shridhar Gokhale
Whole-Time Director
DIN No: 08349732

Saikrishnan C P
Chief Financial Officer

Manikandan M
Company Secretary

Place : Kancheepuram
Date : May 19, 2023

Notes to financial statements for the year ended March 31, 2023

(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.

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 May 19, 2023.

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

- b. The Company has 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 period ending March 31, 2023 is included in the following note

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

Note 3(i) and Note 30 – 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 18 – 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 29 – 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.

q. Recent Accounting Pronouncements:

On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Notes to financial statements for the year ended March 31, 2023

(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	Total
Gross carrying value							
Balance as at March 31, 2021	1,177.29	2,685.96	2,722.66	29.75	42.66	61.83	6,720.15
Additions	-	-	171.83	32.26	14.93	-	219.02
Deletions / write off	-	-	37.46	26.11	-	-	63.57
Balance as at March 31, 2022	1,177.29	2,685.96	2,857.03	35.90	57.59	61.83	6,875.60
Additions	-	318.59	371.82	10.27	32.16	19.20	752.04
Deletions / write off	-	-	2.41	-	-	-	2.41
Balance as at March 31, 2023	1,177.29	3,004.55	3,226.44	46.17	89.75	81.03	7,625.23
Accumulated depreciation							
Balance as at March 31, 2021	-	607.99	1,654.57	18.51	15.97	51.12	2,348.16
Depreciation during the year	-	122.41	315.60	8.52	2.86	1.48	450.87
Deletions / write off	-	-	35.22	26.11	-	-	61.33
Balance as at March 31, 2022	-	730.40	1,934.95	0.92	18.83	52.60	2,737.70
Depreciation during the year	-	128.25	331.35	9.32	9.01	2.06	479.99
Deletions / write off	-	-	0.78	-	-	-	0.78
Balance as at March 31, 2023	-	858.65	2,265.52	10.24	27.84	54.66	3,216.91
Net block							
As at March 31, 2022	1,177.29	1,955.56	922.08	34.98	38.76	9.23	4,137.90
As at March 31, 2023	1,177.29	2,145.90	960.92	35.93	61.91	26.37	4,408.32

* Refer Note 36 to Financial Statements

Capital work-in-progress

Particulars	Amount
Balance as at March 31, 2021	-
Additions	114.34
Assets capitalised during the year	-
Balance as at March 31, 2022	114.34
Additions	114.23
Assets capitalised during the year	114.34
Balance as at March 31, 2023	114.23

CWIP ageing schedule

CWIP	Amount in CWIP for the year ended March 31, 2023			Total
	Less than 1 year	1-2 years	2-3 years More than 3 years	
Projects in progress	114.23	-	-	114.23
Projects temporarily suspended	-	-	-	-

Notes to financial statements for the year ended March 31, 2023

(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, 2021	11.06	11.06
Additions	-	-
Disposals	-	-
Balance as at March 31, 2022	11.06	11.06
Additions	9.23	9.23
Disposals	-	-
Balance as at March 31, 2023	20.29	20.29
Accumulated amortisation		
Balance as at April 1, 2020	7.39	7.39
Amortisation during the year	1.27	1.27
Disposals	-	-
Balance as at March 31, 2021	8.66	8.66
Amortisation during the year	1.27	1.27
Disposals	-	-
Balance as at March 31, 2022	9.93	9.93
Amortisation during the year	2.22	2.22
Disposals	-	-
Balance as at March 31, 2023	12.15	12.15
Net block		
As at March 31, 2022	1.13	1.13
As at March 31, 2023	8.14	8.14

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

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits	230.63	198.75
Bank deposit (due to mature after 12 months from the reporting date)*	77.53	154.25
Total	308.16	353.00

* Includes Rs. 67 lakhs under lien with banks.

Notes to financial statements for the year ended March 31, 2023

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

7 Deferred tax assets, net

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets		
On Carried forward tax losses and other provisions*	344.88	330.54
MAT Entitlement Credit	58.30	
	403.18	330.54
Deferred tax liabilities		
On excess of depreciation / amortisation on fixed assets under income-tax law over depreciation / amortisation provided in accounts	298.94	330.54
Other provisions	45.94	
	344.88	330.54
Deferred tax assets (net)	58.30	-

* 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. The closing deferred tax asset (net) represents the MAT Credit Entitlement only.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the unused tax losses amounting to Rs. 496.45 lakhs as at March 31, 2023 and Rs.3,417.02 lakhs as at March 31, 2022 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, 2023	Expiry date	As at March 31, 2022	Expiry date
Expire (Note below)	-	Refer below	253.74	Refer below
Never expire	496.45		3,163.28	
Total	496.45		3,417.02	

Year of Expiry Financial year ending March 31	As at March 31, 2023	As at March 31, 2022
2023	-	253.74
2024	-	-
Total	-	253.74

Notes to financial statements for the year ended March 31, 2023

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

8 Other tax assets

Particulars	As at March 31, 2023	As at March 31, 2022
Tax payments pending adjustments (net of provision for taxes)	103.97	159.29
Total	103.97	159.29

9 Other non-current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with government authorities (unsecured, considered doubtful)	33.23	33.23
Balance with government authorities	-	-
Less: Provision for doubtful receivables	-	-
Total	33.23	33.23

10 Inventories

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

Particulars	As at March 31, 2023	As at March 31, 2022
Raw material and components*	1,649.19	879.67
Work-in-progress	3,036.02	4,226.45
Finished goods	2,628.52	126.33
Stores, spares and consumables	76.80	57.33
Total	7,390.53	5,289.78
Less: Provision for inventories	(249.64)	(133.33)
Total	7,140.89	5,156.45

* Includes Goods in Transit of Rs. 430.88 lakhs, (PY 123.82 lakhs)

Refer Note 36 to Financial Statements

11 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Secured, considered good (Refer note 36)	-	-
Unsecured, considered good	13,171.63	8,295.58
Significant increase in credit risk	-	-
Credit impaired / doubtful	2,074.56	2,000.78
	15,246.19	10,296.36
Less: Loss allowance (Refer note below)	(2,385.58)	(2,137.21)
Net trade receivables	12,860.61	8,159.15

Notes to financial statements for the year ended March 31, 2023

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

Trade Receivables ageing schedule for the year ended March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - Considered good	12,386.82	430.89	353.92	-	-	13,171.63
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	3.71	49.08	8.97	48.60	1,964.20	2,074.56
(iv) Disputed Trade receivables - Considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	12,390.53	479.97	362.89	48.60	1,964.20	15,246.19

Trade Receivables ageing schedule for the year ended March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - Considered good	7,370.41	559.05	203.02	163.10	-	8,295.58
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	2.44	22.51	31.85	1,943.98	2,000.78
(iv) Disputed Trade receivables - Considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	7,370.41	561.49	225.53	194.95	1,943.98	10,296.36

Note:

For trade receivables from related parties, refer note 32.

Refer Note 36 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 29.

Notes to financial statements for the year ended March 31, 2023

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

12 (i) Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents:		
Bank balances		
- on current accounts	12.92	2.97
- on cash credit accounts	897.49	2,223.79
- on deposit accounts (with original maturity of 3 months or less)	384.34	-
Total	1,294.75	2,226.76

(ii) Bank balances other than above

Particulars	As at March 31, 2023	As at March 31, 2022
Deposit accounts with maturity from three to twelve months	2,941.50	2,023.54
Total	2,941.50	2,023.54

13 Other current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
<i>To parties other than related parties</i>		
Interest accrued on deposits	32.32	40.35
Unbilled revenue	70.53	981.36
Total	102.85	1,021.71

Notes to financial statements for the year ended March 31, 2023

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

14 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
<i>(unsecured, considered good)</i>		
Advance to suppliers	361.43	208.19
GST receivable	83.81	97.35
Staff advances	63.70	60.69
Gratuity (Refer Note 18(a))	-	0.48
Prepayments	177.92	83.94
<i>(unsecured, considered doubtful)</i>		
Other receivables	18.81	14.66
Less: Provision for doubtful receivables	(14.66)	(14.66)
Total	691.01	450.65

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

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
15,300,000 (Mar 31, 2022: 15,300,000) Equity Shares of Rs.10 each	1,530.00	1,530.00
Issued, subscribed and paid up		
10,620,000 (Mar 31, 2022: 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, 2023		As at March 31, 2022	
	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

Notes to financial statements for the year ended March 31, 2023

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

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, 2023		As at March 31, 2022	
	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)	74,35,407	743.54	74,35,407	743.54

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	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)	74,35,407	70.01%	74,35,407	70.01%

f Disclosure of shareholding of Promoters

Promoters name	As at March 31, 2023			As at March 31, 2022		
	No of Shares	% of Total Shares	% Change during the year	No of Shares	% of Total Shares	% Change during the year
Shirdi Sai Electricals Limited	74,35,407	70.01%	-	74,35,407	70.01%	-4.9%
Prolec GE Internacional, S de R L de C.V., Mexico *	5,29,593	4.99%	-	5,29,593	4.99%	-

* The erstwhile Holding Company still continues to be designated as promoter with the Stock Exchanges and SEBI, accordingly, the Company had decided to disclose them as promoters here and also to disclose the transactions and the closing balance under Note 32.

Notes to financial statements for the year ended March 31, 2023

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

g Shares issued and bought back during the five years immediately preceding the date of Balance sheet ie., March 31, 2023- Nil**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. Retained earnings

Retained earnings represents surplus i.e., balance of the relevant column in the Statement of Changes in Equity

e. Other comprehensive income

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

17 Borrowings - Non Current

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Term Loan		
From Banks	206.32	55.89
Less: Current maturities of long term borrowings	77.23	45.00
Total	129.09	10.89

The Company had been sanctioned two term loans totaling to Rs. 1800 lakhs towards building second transformer testing facility and purchase of machineries. The Company as at the Balance sheet date had drawn only Rs. 282 Lakhs against these loans and had utilised towards the said purpose only.

Notes to financial statements for the year ended March 31, 2023

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

Terms of Repayment:

The Company had preclosed one term loan of Rs. 800 Lakhs on May 05, 2023. The second term loan of Rs. 1000 Lakhs has a moratorium of one year and is repayable in 96 instalments starting Feb 29, 2024.

Refer note 36 to Financial Statements for securities provided

17 (i) Borrowings - Current

Particulars	As at March 31, 2023	As at March 31, 2022
Working capital facilities	927.19	-
Current maturities of long term borrowings	77.23	45.00
Total	1,004.42	45.00

Refer note 36 to Financial Statements for securities provided

18 Provisions

Particulars	Non-Current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits				
Gratuity (Refer note 18 (a))	29.68	-	-	-
Compensated absences	91.40	84.46	31.10	35.93
	121.08	84.46	31.10	35.93
Other provisions (Refer note 18(b))				
Provision for warranty	-	-	414.60	309.11
Provision for others	-	-	324.80	109.33
	-	-	739.40	418.44
Total	121.08	84.46	770.50	454.37

(a) Provisions for employee benefits

For details about the related employee benefits expense, Refer note 25.

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.

Notes to financial statements for the year ended March 31, 2023

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

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	As at March 31, 2023	Year ended March 31, 2022
Reconciliation of present value of defined benefit obligation		
Balance at the beginning of the year	598.60	516.50
Benefits paid	(13.31)	(12.28)
Current service cost	41.06	37.97
Past service cost	-	-
Interest cost	39.89	32.31
Actuarial (gains) losses recognised in other comprehensive income		
changes in financial assumptions	(25.15)	(30.44)
experience adjustments	15.64	54.54
Balance at the end of the year	656.73	598.60
Reconciliation of the present value of plan assets		
Balance at the beginning of the year	599.08	572.41
Contributions made to the plan	0.08	6.04
Benefits paid	(13.31)	(12.28)
Interest income	42.73	38.49
Return on plan assets recognised in other comprehensive income	(1.53)	(5.58)
Balance at the end of the year	627.05	599.08

Particulars	As at March 31, 2023	Year ended March 31, 2022
Present value of defined benefit obligation	656.73	598.60
Present value of plan assets	627.05	599.08
Net Liability/(Asset)	29.68	(0.48)

Notes to financial statements for the year ended March 31, 2023

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

C. (i) Expense recognised in profit or loss

Particulars	As at March 31, 2023	Year ended March 31, 2022
Current service cost	41.06	37.97
Past service cost	-	-
Interest cost	39.89	32.31
Interest income	(42.73)	(38.49)
Net gratuity costs recognised in profit or loss	38.22	31.79

(ii) Remeasurements recognised in other comprehensive income

Particulars	As at March 31, 2023	Year ended March 31, 2022
Actuarial (gain) loss on defined benefit obligation	(9.51)	24.10
Return on plan assets excluding interest income	1.53	5.58
Total	(7.98)	29.68

D. Defined benefit obligation**(i) Actuarial assumptions**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.45%	7.00%
Long term rate of compensation increase	5.00%	5.00%
Estimated rate of return on plan assets	7.00%	7.00%

Notes to financial statements for the year ended March 31, 2023

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

(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.

	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(26.21)	28.05	(25.69)	27.58
Future salary growth (0.50% movement)	28.27	(26.61)	27.64	(25.94)

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.

(b) Movements in other provisions

Particulars	Warranty		Others	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
At the commencement of the year	309.11	272.51	109.33	57.33
Provision made during the year	172.86	130.08	314.80	75.00
Provision utilised / written back during the year	(67.37)	(93.48)	(99.33)	(23.00)
At the end of the year	414.60	309.11	324.80	109.33

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 indirect tax authorities.

19 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Dues of micro enterprises and small enterprises (Refer note 31)	1,550.13	1,255.56
Dues of creditors other than micro enterprises and small enterprises	7,367.41	5,720.97
Total	8,917.54	6,976.53

Notes to financial statements for the year ended March 31, 2023

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

Trade payables ageing schedule**Current Reporting Period**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,547.92	-	0.89	1.32	1,550.13
(ii) Others	7,308.53	13.13	5.53	40.22	7,367.41
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	8,856.45	13.13	6.42	41.54	8,917.54

Previous Reporting Period

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,243.79	3.28	5.68	2.81	1,255.56
(ii) Others	5,633.74	47.02	10.13	30.08	5,720.97
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	6,877.53	50.30	15.81	32.89	6,976.53

All trade payables are 'current'. For trade payables from related parties, refer note 32.

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 29.

20 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Advance from customers	735.02	1,154.22
Employee benefits payable	153.21	136.06
Statutory dues payable	890.88	363.65
Interest Payable on MSME	230.75	99.77
Total	2,009.86	1,753.70

Notes to financial statements for the year ended March 31, 2023

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

21 Revenue from operations

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of products	35,962.49	27,260.54
Total sale of products (A)	35,962.49	27,260.54
Sale of services		
Freight and insurance	549.72	317.64
Labour services	257.86	196.33
Others	0.16	-
Total sale of services (B)	807.74	513.97
Other operating revenues		
Scrap sales	320.26	232.22
Total other operating revenues (C)	320.26	232.22
Total revenue from operations (A+B+C)	37,090.49	28,006.73

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, 2023	Year ended March 31, 2022
Type of contracts		
Fixed price	18,650.29	8,855.42
Variable price	18,440.20	19,151.31
	37,090.49	28,006.73

Notes to financial statements for the year ended March 31, 2023

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

22 Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income from:		
Fixed deposit	119.68	83.31
Income tax refund	6.07	6.51
Income from power generation	32.38	29.43
Foreign exchange gain, net	-	7.34
Liabilities / provisions / advances no longer required written back	96.22	23.05
Miscellaneous income	12.09	18.87
Total	266.44	168.51

23 Cost of materials consumed

(including stores and spares)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventory of materials at the beginning of the year	937.00	976.99
Add: Purchases*	28,488.69	21,317.06
Less: Inventory of materials at the end of the year	1,725.99	937.00
Cost of materials consumed	27,699.70	21,357.05

* Includes Goods in Transit of Rs. 430.88 lakhs, (PY 123.82 lakhs)

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

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening inventory		
Finished goods		
Transformers	126.33	106.27
Work-in-progress		
Transformers under production	4,226.45	2,504.43
	4,352.78	2,610.70
Less: Closing inventory		
Finished goods		
Transformers	2,628.52	126.33
Work-in-progress		
Transformers under production	3,036.02	4,226.45
	5,664.54	4,352.78
Changes in inventories of finished goods and work-in-progress	(1,311.76)	(1,742.08)

Notes to financial statements for the year ended March 31, 2023

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

25 Employee benefits expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	2,694.52	2,283.74
Contribution to provident and other funds	100.74	100.34
Expenses related to post-employment defined benefit plans (Refer note 18)	47.03	33.27
Staff welfare expenses	115.08	93.21
Total	2,957.37	2,510.56

26 Finance costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest - Bank	48.13	24.80
Interest - Others (including for MSME)	132.09	97.59
Other Borrowing Cost	91.49	35.44
Total	271.71	157.83

27 Depreciation and amortisation expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of property, plant and equipment (Refer note 4)	479.99	450.87
Amortisation of intangible assets (Refer note 5)	2.22	1.27
Total	482.21	452.14

28 Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent	17.29	11.37
Rates and taxes	126.49	52.58
Power and fuel	284.51	235.40
Repairs and maintenance:		
- Buildings	206.76	244.49
- Plant and machinery	129.65	80.38
- Others	20.68	26.37
Contract labour	342.24	271.86

Notes to financial statements for the year ended March 31, 2023

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

28 Other expenses (continued)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Factory expenses	331.89	512.39
Insurance	54.32	54.59
Printing and stationery	10.15	10.10
Travelling and conveyance	293.67	220.18
Communication expenses	11.93	10.32
Professional and legal charges	190.26	190.68
Payment to auditors (refer note below)	25.05	19.98
Directors' sitting fees	12.70	8.15
Advertisement and sales promotion	44.09	26.22
Agency commission	73.52	143.23
Royalty	550.59	640.51
Freight outward	654.53	427.91
Bank charges	575.54	521.70
Property, plant and equipment written off	1.64	2.24
Corporate Social Responsibility expenditure	14.93	-
Provision for doubtful debts	248.37	295.47
Liquidated Damages	36.66	-
Advances written off	1.47	-
Provision for inventories	116.31	-
Foreign exchange loss, net	30.13	-
Warranty cost, net	152.81	65.59
General expenses	129.34	120.44
Total	4,687.52	4,192.15

Note: Payment to auditors (excluding tax)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
As Auditor:		
Statutory audit	15.00	12.00
Tax audit	2.00	2.00
Limited review of quarterly results	5.50	3.50
Corporate Governance	1.00	1.00
Others	0.75	0.75
Reimbursement of expenses	0.80	0.73
Total	25.05	19.98

Notes to financial statements for the year ended March 31, 2023

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

29 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, 2023			Fair value
	FVTPL	FVOCI	Amortised cost	Level 3
Financial assets measured at fair value				
Nil	-	-	-	-
Financial assets not measured at fair value				
Security Deposits	-	-	230.63	
Trade receivables	-	-	12,860.61	
Cash and cash equivalents	-	-	1,294.75	
Bank balances other than above	-	-	2,941.50	
Unbilled revenue	-	-	70.53	
Bank deposits	-	-	77.53	
Interest accrued	-	-	32.32	
Total financial assets	-	-	17,507.87	
Financial liabilities not measured at fair value				
Borrowings	-	-	1,133.51	
Trade payables	-	-	8,917.54	
Total financial liabilities	-	-	10,051.05	

	Carrying amount as at March 31, 2022			Fair value
	FVTPL	FVOCI	Amortised cost	Level 3
Financial assets measured at fair value				
Nil	-	-	-	-
Financial assets not measured at fair value				
Security Deposits	-	-	198.75	
Trade receivables	-	-	8,159.15	
Cash and cash equivalents	-	-	2,226.76	
Bank balances other than above	-	-	2,023.54	
Unbilled revenue	-	-	981.36	
Bank deposits	-	-	154.25	
Interest accrued	-	-	40.35	
Total financial assets	-	-	13,784.16	
Financial liabilities not measured at fair value				
Borrowings	-	-	55.89	
Trade payables	-	-	6,976.53	
Total financial liabilities	-	-	7,032.42	

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.

Notes to financial statements for the year ended March 31, 2023

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

29 Financial instruments - Fair values and risk management (continued)**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.

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, 2023 and March 31, 2022

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.

Notes to financial statements for the year ended March 31, 2023

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

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

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

Particulars	March 31, 2023			March 31, 2022		
	Gross carrying amount	Weighted-average loss rate	Loss allowance	Gross carrying amount	Weighted-average loss rate	Loss allowance
Current (not past due)	10,122.24	0.45%	45.34	5,100.71	0.40%	20.45
1-90 days past due	2,063.87	3.17%	65.33	1,343.11	2.75%	36.90
More than 90 days past due	3,060.08	74.34%	2,274.90	3,852.54	53.99%	2,079.86
Total	15,246.19		2,385.58	10,296.36		2,137.21

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:

	2023	2022
Balance at 1 April	2,137.21	1,841.74
Amounts written off	-	-
Net remeasurement of loss allowance	248.37	295.47
Balance at 31 March	2,385.58	2,137.21

(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, 2023

Particulars	Contractual cash flows		
	Carrying amount	1 year or less	More than 1 year
Trade payables	8,917.54	8,917.54	-
Total	8,917.54	8,917.54	-

Notes to financial statements for the year ended March 31, 2023

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

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

As at March 31, 2022

Particulars	Contractual cash flows		
	Carrying amount	1 year or less	More than 1 year
Trade payables	6,976.53	6,976.53	-
Total	6,976.53	6,976.53	-

(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 at the rate of 1% are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
	USD	USD
Trade and other receivables	-	2.16
Trade and other payables	(4.38)	(0.26)
Net exposure in respect of recognised assets and liabilities	(4.38)	1.90

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, 2023				
USD (1% movement)	3.60	(3.60)	3.60	(3.60)
March 31, 2022				
USD (1% movement)	1.44	(1.44)	1.44	(1.44)

Notes to financial statements for the year ended March 31, 2023

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

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

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Contingent liabilities:		
Claims against the company not acknowledged as debt		
- Income tax matters	-	-
- Excise duty matters	214.70	214.70
- Service tax matters	91.34	91.34
- Sales tax matters	40.72	40.72
(b) Commitments:		
Estimated amount of contracts remaining to be executed on capital account (net of advances)	306.27	77.28

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.

- 31** 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, 2023 has been made in the financial statements based on information received and available with the Company.

Particulars	As at March 31, 2023	As at March 31, 2022
The amounts remaining unpaid to micro, small and medium suppliers at the end of the year		
- Principal	1,550.13	1,255.56
- Interest	130.98	99.77
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.	230.75	99.77
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.	-	-

Notes to financial statements for the year ended March 31, 2023

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

32 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
Holding company	Shirdi Sai Electricals Limited
Promoters (Refer Note 15 (f))	Prolec GE Internacional, S de R.L de C.V., Mexico
Key management personnel	Mr. Visweswara Reddy Narreddy, Director Mr. Shridhar Gokhale, Whole-Time Director Mr. Sharat Chandra Kolla, Director Mr. Ajay Kumar Dhagat, Independent Director Dr. Sutanu Behuria, Independent Director Ms. Leena Mukundh Sathyanarayanan, Independent Director Mr. Sudheer Vennam, Director (Appointed w.e.f August 12, 2022) Mr. Saikrishnan C P, Chief Financial Officer Mr. Sathyamoorthy A , Company Secretary (Resigned w.e.f April 30, 2022) Mr. Manikandan M , Company Secretary (Appointed w.e.f May 27, 2022)

Details of related party transactions

Nature of transaction	As at March 31, 2023	Year ended March 31, 2022
Agency commission paid / accrued Shirdi Sai Electricals Limited	16.21	49.54
Royalty paid / accrued Prolec GE Internacional, S de R.L de C.V., Mexico	550.59	640.51
Sale of goods Shirdi Sai Electricals Limited	1.28	1,119.41
Sale of services Shirdi Sai Electricals Limited	4.88	49.95
Purchases of goods Shirdi Sai Electricals Limited (includes Goods-in-transit of Rs. 194.60 lakhs)	287.28	105.84
Job work charges Shirdi Sai Electricals Limited	-	-

Notes to financial statements for the year ended March 31, 2023

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

32 Related party transactions (continued)

Nature of transaction	As at March 31, 2023	Year ended March 31, 2022
Reimbursement of expenses		
Shirdi Sai Electricals Limited	3.70	-
Managerial remuneration		
Mr. Shridhar Gokhale, Whole-Time Director	77.15	89.58
Mr. Saikrishnan C P, CFO	37.21	39.94
Mr. Sathyamoorthy A, Company Secretary (till Apr 30,2022)	3.02	27.03
Mr. Manikandan, Company Secretary (Appointed w.e.f May 27, 2022)	10.29	-
Sitting Fees (Key management personnel)	12.70	8.15

Balances at year end	As at March 31, 2023	As at March 31, 2022
Net Balances due from		
Shirdi Sai Electricals Limited	-	848.04
Net Balances due to		
Shirdi Sai Electricals Limited	272.16	-
Prolec GE Internacional, S de R.L de C.V., Mexico	549.47	737.86

- 33 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, 2023	As at March 31, 2022
India	37,087.96	27,982.81
Rest of the world	2.53	23.92
Total	37,090.49	28,006.73

Notes to financial statements for the year ended March 31, 2023

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

34 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, 2023	As at March 31, 2022
Profit for the year, attributable to the equity holders	2,570.18	1,218.95
Weighted average number of equity shares	1,06,20,000	1,06,20,000
Earnings per equity share: (Face value of Rs.10 per share)		
- Basic in Rs.	24.20	11.48
- Diluted in Rs.	24.20	11.48

35 Corporate Social Responsibility (CSR) expenditure

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Gross amount required to be spent by the company during the year	14.93	-
(b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	14.93	-

36 Security details for Working Capital facilities and Term loans from Banks:

a) Name of the Bankers - State Bank of India, Bank of Baroda and IndusInd

b) Primary Security:

(i) For Working Capital facilities

Hypothecation of entire stocks, receivables and entire current assets (both present and future).

(ii) For Term Loan

Hypothecation of Machinery/Equipments to be purchased out of the term loan for setting up of second transformer testing facility.

c) Collateral Security:

- Equitable mortgage of factory land and building at Illuppapattu village in Kanchipuram administering 30.04 acres

- Equitable mortgage of factory land and building at Thirumazhisai administering 2,65,062 sq ft

- Equitable mortgage of commercial plot at Pazhavor village in Thirunelveli administering 3 acres

- Hypothecation of Windmill at Thirunelveli

- Lien on Fixed deposits Rs. 67 lakhs

- Pledge of 30% of Equity shares of the Company held by the Holding Company.

Notes to financial statements for the year ended March 31, 2023

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

d. Reconciliation of Quarterly returns furnished with the Bank and Books of account

Quarter	Amounts as per Books of Account	Amount as reported in the quarterly returns/ statements	Amount of Differences	Reason for Material Discrepancies (if any)
Jun-22	9,851.00	9,851.00	-	-
Sep-22	9,893.00	9,893.00	-	-
Dec-22	10,255.00	10,255.00	-	-
Mar-23	12,306.19	12,850.00	543.81	Provisional numbers shared with Bank, actuals will be submitted after audit

37. Key Ratios of the Company are summarized below:

Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance (%)
(a) Current ratio	Current assets	Current liabilities	2.0	2.1	-5%
(b) Debt-Equity ratio	Debt	Shareholder's Equity	0.07	0.00	-
(c) Debt service coverage ratio	Earnings available for debt service	Debt Service	35.7	NA	-
(d) Return on Equity ratio ⁽¹⁾	Net Profit after taxes	Shareholder's Equity	15.0%	8.4%	79%
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	4.3	4.6	-6%
(f) Trade receivables turnover ratio	Revenue	Average Trade Receivable	3.5	3.7	-5%
(g) Trade payables turnover ratio	Purchases	Average Trade Payable	3.6	4.0	-10%
(h) Net capital turnover ratio	Revenue	Average Working capital	3.4	3.1	9%
(i) Net profit ratio ⁽¹⁾	Net Profit	Total income	6.9%	4.4%	55%
(j) Return on Capital employed ⁽¹⁾	Earnings before interest and taxes	Capital Employed	16.4%	9.6%	70%
(k) Return on investment	NA	NA	-	-	-

⁽¹⁾ due to increase in operations and net profit the ratio had increased.

Notes to financial statements for the year ended March 31, 2023

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

38 Transfer pricing

The Company has transactions with related parties. For the financial year 2021-22, 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 2022-23, 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.

39 The Company is in the process of reconciling the monthly returns filed under the Central Goods and Services Tax Act, 2017 ("CGST Act"), The Integrated Goods And Services Tax Act, 2017 and Tamil Nadu Goods And Services Tax Act, 2017 [Tamil Nadu Act 19 Of 2017] with its books and records to file the annual return for FY 2022-23. 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.

40 Code of Social Security, 2020

The date on which the Code of Social Security, 2020 ("the code") relating to employee benefits during the employment and post-employment benefit will come into effect is yet to be notified and the related rules are yet to be finalized. The company will evaluate the code and its rules, assess the impact, if any on account of the same once they become effective.

41 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 : May 19, 2023

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

N Visweswara Reddy

Chairman

DIN No: 02996298

Shridhar Gokhale

Whole-Time Director

DIN No: 08349732

Saikrishnan C P

Chief Financial Officer

Manikandan M

Company Secretary

Place : Kancheepuram

Date : May 19, 2023



If undelivered please return to:

INDO TECH TRANSFORMERS LIMITED

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