



Eim/Sec/SE

Date: 31st May, 2024

To,
BSE Ltd.
Phiroze Jeejeebhoy Towers
25th Floor, Dalal Street
Mumbai - 400 001

Company Code 523708

To,
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051
Symbol EIMCOELECO - Series EQ

Sub.: Annual Report for the Financial Year 2023-24

Dear Sir,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report of the Company for the Financial Year 2023-24 along with the Notice convening the 50th Annual General Meeting of the Members of the Company, being sent to the Members through electronic mode, is attached.

The Annual Report is also uploaded on the Company's website and can be accessed at www.eimcoelecon.in.

Please take the same on your record.

Thanking you,

Yours faithfully,

For Eimco Elecon (India) Limited

Rikenkumar Dalwadi
Company Secretary & Compliance Officer

Enclosure: As above

Regd. Office & Works :

EIMCO ELECON (INDIA) LTD., Anand Sojitra Road, Vallabh Vidyanagar - 388 120. Gujarat, India.

Tel. : (02692) 230602

Website : www.eimcoelecon.in | CIN : L29199GJ1974PLC002574

ISO 9001:2018

www.tuv.com
ID 9106040242



EIMCO ELECON

CONTINUOUS MINER



50th

ANNUAL
REPORT
2023-24



Board of Directors



Shri Pradip M. Patel
Chairman - Non-Executive Director



Shri Mukulnarayan Dwivedi
Executive Director



Shri Prayasvin B. Patel
Executive Director



Shri Prashant C. Amin
Nominee Director



Shri Nirmal P. Bhogilal
Independent Director
(Upto 31st March, 2024)



Shri Venkatraman Srinivasan
Independent Director



Smt. Manjuladevi P. Shroff
Independent Director



Ms. Reena P. Bhagwati
Independent Director



Shri Jai S. Diwanji
Independent Director
(w.e.f. 1st April, 2024)

CHIEF FINANCIAL OFFICER

Shri Vishal C. Begwani

COMPANY SECRETARY

Shri Rikenkumar Dalwadi

CORPORATE IDENTITY NUMBER (CIN)

L29199GJ1974PLC002574

REGD. OFFICE & WORKS

Anand-Sojitra Road,
Vallabh Vidyanagar - 388 120,
Dist. Anand. Gujarat.

STATUTORY AUDITORS

K C Mehta & Co LLP
Chartered Accountants
Vadodara

BANKERS

State Bank of India
Axis Bank Limited
HDFC Bank Limited

REGISTRAR & SHARE TRANSFER AGENT

Mumbai Office

Link Intime India Private Limited
C-101, 247 Park, LBS Marg, Vikhroli (West),
Mumbai - 400 083.

Vadodara Office

Link Intime India Private Limited
"Geetakunj", 1, Bhakti Nagar Society, Behind
ABS Tower, Old Padra Road, Vadodara - 390 015.



Ten Years at a Glance

STANDALONE

(₹ in Lakhs)

Particulars	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
TURNOVER*	22,750	17,270	8,444	12,584	10,791	18,473	14,217	18,541	13,958	19,641
EBIDTA	3,904	2,396	889	1,042	557	2,475	1,486	2,149	2,230	2,897
PBT	4,995	2,649	988	1,427	1,020	3,042	1,944	2,979	2,247	3,008
PAT	4,041	2,087	852	1,126	941	2,322	1,644	2,509	1,664	2,152
DIVIDEND (%)	50	50	25	50	50	70	50	50	50	50
EQUITY SHARE CAPITAL	577	577	577	577	577	577	577	577	577	577
RESERVE & SURPLUS	38,040	34,310	32,387	31,849	31,013	30,560	28,583	27,269	21,228	19,911
KEY INDICATORS										
EARNING PER SHARE (₹)	70.06	36.18	14.77	19.51	16.31	40.25	28.51	43.50	28.84	37.30
DEBT EQUITY RATIO (%)	0.11	0.18	0.12	0.46	0.75	0.52	0.21	0.00	0.00	0.00
OPERATING MARGIN (%)	17.16	13.87	10.53	8.28	5.16	13.40	10.45	16.07	16.10	14.75
NET PROFIT MARGIN (%)	17.76	12.08	10.09	8.95	8.72	12.57	11.57	13.53	11.92	10.96
RETURN ON NET WORTH (%)	11.17	6.38	2.72	3.63	3.02	7.71	5.77	10.12	7.90	11.00

*Turnover upto FY 18 includes excise duty.

Financial details from FY 17 onwards are as per IND AS.

Figures for previous years have been regrouped/reclassified wherever necessary.

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EIMCO ELECON (INDIA) LIMITED

(CIN : L29199GJ1974PLC002574)

Registered Office : Anand-Sojitra Road,

Vallabh Vidyanagar - 388 120, Dist. Anand, Gujarat.

E-mail : investor@eimcoelecon.in

Website : www.eimcoelecon.in

Phone : 02692 - 230502 / 230602,

Fax : 02692 - 236506

NOTICE OF THE 50TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 50th Annual General Meeting of Members of Eimco Elecon (India) Limited will be held on **Tuesday, the 25th day of June, 2024** at **10:30 a.m. IST** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements (Both Standalone and Consolidated) of the Company for the financial year ended on 31st March, 2024 and the Reports of the Board of Directors ("the Board") and Auditors thereon.
2. To declare Dividend on Equity Shares for the financial year ended on 31st March, 2024.
3. To consider and if thought fit, to pass with or without modification(s), following resolution as a **Special Resolution**:

Appointment of Director in place of Shri Pradip M. Patel, (DIN: 00012138), who retires by rotation and being eligible, offers himself for re-appointment.

"RESOLVED THAT pursuant to provision of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Pradip M. Patel (DIN:00012138), who retires by rotation at the ensuring Annual General Meeting, being eligible and willing for re-appointment, be reappointed as Director liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to Regulations 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the

members be and hereby accorded for continuation of Shri Pradip M. Patel (DIN: 00012138), who has attained the age of seventy five (75) years, as a Non-Executive Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

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

Continuation of Shri Prashant C. Amin (DIN: 01056652) as a Non-Executive Nominee Director of the Company.

"RESOLVED THAT pursuant to the provisions of Regulation 17 (1D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the members be and hereby accorded for continuation of Shri Prashant C. Amin (DIN: 01056652) as a Non- Executive Nominee Director of the Company.

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

5. To consider and if thought fit, to pass, the following Resolution as a **Special Resolution**:

Payment of commission to Non-Executive Directors of the Company for the period of 5 years:

"RESOLVED THAT pursuant to Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the members be and hereby accorded to pay such remuneration by way of commission for a period of five (5) years commencing from April 1, 2024, not exceeding in aggregate 1% (one percent) of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013, with authority to the Board to determine the manner and proportion in which the amount be distributed among to all the Non-Executive Directors of the Company.

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

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

“**RESOLVED THAT** pursuant to Regulation 23 and such other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013, approval of the Members of the Company be and is hereby accorded to the material related party transactions/proposed transactions between the Company and Emtici Marketing LLP, a related party of the Company, for an aggregate value upto ₹ 32 Crore entered or to be entered into by the Company for the Financial Year 2024-25 in the ordinary course of business and at arm’s length basis.

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

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the

Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the payment of remuneration of ₹ 55,000/- (Rupees Fifty Five Thousand only) per annum plus taxes as applicable and out of pocket expenses incurred in connection with the audit to Messrs Diwanji & Co., Cost Accountants (Firm Registration No.000339) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending on 31st March, 2025, be and is hereby ratified.

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

By Order of the Board of Directors,

Registered Office:

Anand-Sojitra Road,
Vallabh Vidyanagar - 388 120,
Gujarat.

Place : Vallabh Vidyanagar

Date : 18th April, 2024

Rikenkumar Dalwadi
Company Secretary

**NOTES :**

- A. The Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020; April 13, 2020; January 13, 2021; December 14, 2021 and December 28, 2022 (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 the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (‘the Act’) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through VC / OAVM.
- B. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
- C. Generally, 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 through VC/OAVM pursuant to the MCA Circulars, 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 hereto.
- D. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- E. Since the AGM will be held through VC/ OAVM, the route map of the venue of the meeting is not annexed hereto. The venue of the meeting shall be deemed to be the Registered Office of the Company at Vallabh Vidyanagar - 388120, Gujarat.
- F. As required by Regulation 36 of the SEBI (LODR) Regulations, 2015 (Listing Regulations) and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, the relevant details of Director retiring by rotation and seeking appointment / re-appointment at the ensuing AGM are given in the Annexure to the Notice of the AGM.
- G. DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE: In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories Participants. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company’s website www.eimcoelecon.in, websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.
- H. For receiving all communication (including Annual Report) from the Company electronically:
- a) Members holding shares in physical mode and who have not registered/updated their e-mail address with the Company are requested to register/update the same by visiting the website of Link Intime India Private Limited at https://www.linkintime.co.in/EmailReg/Email_Register.html with details of folio number and attaching/uploading a self-attested documents required therein. The Company urges all the members to use this link effectively since the Email IDs and Mobile Numbers could help the Company for sending paperless communication in future.
- b) Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.
- I. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LINK INTIME 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.
- J. Procedure for Inspection of Documents:
- a) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of

this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to investor@eimcoelecon.in.

- b) Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Friday, 14th June, 2024 through email on investor@eimcoelecon.in. The same will be replied by the Company suitably.

K. IEPF related information:

- a) The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2015-16, from time to time, to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Details of dividends so far transferred to the IEPF Authority are available on the website of IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

- b) The details of unpaid and unclaimed dividends are available on the Company's website at www.eimcoelecon.in.

Details of unpaid and unclaimed dividends up to March 31, 2024 are also uploaded on the website of the IEPF Authority and can be accessed through the link: www.iepf.gov.in.

Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2023-24, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e., September 07, 2024. Details of shares so far transferred to the IEPF Authority are available on the website of the Company's at www.eimcoelecon.in.

The said details have also been uploaded on the website of the IEPF Authority and can be accessed through the link: www.iepf.gov.in.

Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from the IEPF Authority.

The concerned members/investors are advised to visit the weblink of the IEPF Authority <http://iepf.gov.in/IEPF/refund.html>, or contact Link Intime India Private Limited, for detailed

procedure to lodge the claim with the IEPF Authority.

Due dates for transfer to IEPF, of the unclaimed/unpaid dividends for the financial year 2016-17 and thereafter, are as under:		
Financial year	Declaration Date	Due Date
2016-17	2 nd August, 2017	7 th September, 2024
2017-18	31 st July, 2018	5 th September, 2025
2018-19	25 th July, 2019	30 th August, 2026
2019-20	10 th August, 2020	16 th September, 2027
2020-21	5 th August, 2021	10 th September, 2028
2021-22	27 th June, 2022	2 nd August, 2029
2022-23	28 th June, 2023	3 rd August, 2030

L. DIVIDEND RELATED INFORMATION:

Subject to approval of the Members at the AGM, the dividend will be paid within 30 days from the conclusion of the AGM, to the Members whose names appear on the Company's Register of Members as on the Record Date, and in respect of the shares held in dematerialised mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date. Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. Dividend warrants / demand drafts will be despatched to the registered address of the shareholders who have not updated their bank account details, after normalisation of the postal service. Members are requested to register / update their complete bank details:

- I. with their Depository Participant(s) with whom they maintain their demat accounts if shares are held in dematerialised mode by submitting the requisite documents, and
- II. with the Company / Link Intime India Private Limited or by emailing at investor@eimcoelecon.in or vadodara@linkintime.co.in, if shares are held in physical mode, by submitting (i) scanned copy of the signed request letter which shall contain shareholder's name, folio number, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details), (ii) self-attested copy of the PAN card and (iii) cancelled cheque leaf.

OR

Members are requested to visit on the website of the Company's Registrar and Share Transfer Agent i.e. Link Intime India Private Limited (LINK INTIME) at https://www.linkintime.co.in/EmailReg/Email_Register.html and upload the documents required therein.

TAX DEDUCTIBLE AT SOURCE/WITHHOLDING TAX:

Pursuant to the requirement of Income Tax, 1961, the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. The withholding tax rate would vary depending on the residential status of the shareholder and documents submitted by shareholder with the Company/Link Intime/ Depository Participant.

❖ **RESIDENT SHAREHOLDERS:**

a) Tax Deductible at Source for Resident Shareholders:

Sr. No.	Particulars	Withholding tax Rate	Documents required (if any)
1	Valid PAN updated in the Company's Register of Members	10%	No document required If dividend does not exceed ₹ 5,000/-, no TDS withholding tax will be deducted. Also, please refer note (v) below.
2	No PAN/Valid PAN not updated in the Company's Register of Members	20%	TDS/ Withholding tax will be deducted, regardless of dividend amount, if PAN of the shareholder is not registered with the Company/Link Intime/ Depository Participant. All the shareholders are requested to update, on or before 14 th June, 2024, their PAN with their Depository Participant (if shares are held in electronic form) and Company/Link Intime (if shares are held in physical form). Please quote all the folio numbers under which you hold your shares while updating the records. Please also refer note (v) below.
3	Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority to be submitted on or before 14 th June 2024.

b) No Tax Deductible at Source on dividend payment to resident shareholders if the Shareholders submit and register following documents as mentioned in column no.4 of the below table with the Company /Link Intime/ Depository Participant on or before 14th June, 2024.

Sr. No.	Particulars	Withholding tax Rate	Documents required (if any)
1	Submission of form 15G/15H	NIL	Declaration in Form No. 15G (applicable to an Individual who is below 60 years)/ Form 15H (applicable to an Individual who is 60 years and above), fulfilling certain conditions.
2	Shareholders to whom section 194 of the Income Tax, 1961 does not apply such as LIC, GIC, etc.	NIL	Documentary evidence for exemption u/s 194 of Income Tax Act, 1961.
3	Shareholder covered u/s 196 of Income Tax Act, 1961 such as Government, RBI, corporations established by Central Act & mutual funds.	NIL	Documentary evidence for coverage u/s 196 of Income Tax Act, 1961
4	Category I and II Alternative Investment Fund	NIL	SEBI registration certificate to claim benefit under section 197A (1F) of Income Tax Act, 1961
5	<ul style="list-style-type: none"> • Recognised provident funds • Approved superannuation fund • Approved gratuity fund 	NIL	Necessary documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes (CBDT)
6	National Pension Scheme	NIL	No TDS as per section 197A (1E) of Income Tax Act, 1961
7	Any resident shareholders exempted from TDS deduction as per the provisions of Income Tax Act or by any other law or notification.	NIL	Necessary documentary evidence substantiating exemption from deduction of TDS.

❖ NON-RESIDENT SHAREHOLDERS:

The table below shows that withholding tax on dividend payment to non-resident shareholders who submit, on or before 14th June 2024, the following document(s), as mentioned in column no.4 of the below table, to the Company / Link Intime. In case all necessary documents are not submitted, then the TDS/Withholding tax will be deducted @20% (plus applicable surcharge and cess).

Sr. No.	Particulars	Withholding tax Rate	Documents required (if any)
1	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)/Other Non-Resident shareholders	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	<p>FPI registration certificate in case FIIs/ FPIs.</p> <p>To avail beneficial rate of tax treaty following tax documents would be required:</p> <ol style="list-style-type: none"> 1. Tax Residency certificate issued by revenue authority of country of residence of shareholder for the year in which dividend is received 2. PAN or declaration as per Rule 37BC of Income Tax Rules, 1962 in a specified format. 3. Form 10F filled & duly signed

			4. Self-declaration for non-existence of permanent establishment/ fixed base in India (Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non- Resident shareholder and review to the satisfaction of the Company).
2	Indian Branch of a Foreign Bank	Nil	Lower tax deduction certificate u/s 195(3) obtained from Income Tax Authority Self-declaration confirming that the income is received on its own account and not on behalf of the Foreign Bank and the same will be included in taxable income of the branch in India.
3	Availability of Lower/NIL tax deduction certificate issued by Income Tax Authority	Rate specified in certificate	Lower tax deduction certificate obtained from Income Tax Authority
4	Any non-resident shareholder exempt from WHT deduction as per the provisions of Income Tax Act or any other law such as The United Nations (Privileges and Immunities) Act, 1947, etc.	Nil	Necessary documentary evidence substantiating exemption from WHT deduction.

Notes:

- (i) The Company will issue soft copy of the TDS certificate to its shareholders through email registered with the Company / LINK INTIME post payment of the dividend. Shareholders will be able to download Form 26AS from the Income Tax Department's website <https://incometaxindiaefiling.gov.in>.
- (ii) The aforesaid documents such as Form 15G/ 15H, documents under section 196, 197A, FPI Registration Certificate, Tax Residency Certificate, Lower Tax certificate etc. can be uploaded on the link <https://www.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before 14th June 2024 to enable the Company to determine the appropriate TDS/withholding tax rate applicable. Any communication on the tax determination/ deduction received after 15th June 2024 shall not be considered.
- (iii) Application of TDS rate is subject to necessary verification by the Company of the shareholder details as available in Register of Members as on the Record Date, and other documents available with the Company / Link Intime.
- (iv) In case TDS is deducted at a higher rate, an option is still available with the shareholder to file the return of income and claim an appropriate refund.
- (v) No TDS will be deducted in case of resident individual shareholders who furnish their PAN details and whose dividend does not exceed ₹ 5,000/-. However, where the PAN is not updated in Company/Link Intime/Depository Participant records or in case of an invalid PAN, the Company will deduct TDS u/s 194 without considering the exemption limit of ₹ 5,000/-. All the shareholders are requested to update their PAN with their Depository Participant (if shares are held in electronic form) and Company/Link Intime (if shares are held in physical form) against all their folio holding on or before 14th June 2024.
- (vi) In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Member/s, such Member/s will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings. This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.

M. OTHER INFORMATION

- i. In compliance with Section 108 of the Act, read with the corresponding rules, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ("e-voting") facility provided by the Link Intime India Private Limited. Shareholders who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by shareholders holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice.
- ii. The e-voting period begins on **Saturday, 22nd June, 2024 at 09:00 a.m.** and ends on **Monday, 24th June, 2024 at 5:00 p.m.** During this period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Tuesday, 18th June, 2024** may cast their vote electronically. The e-voting module shall be disabled by Link Intime India Private Limited ("LI IPL") for voting thereafter.
- iii. The voting rights of shareholders shall be in proportion to their shares of the paid up Equity Share Capital of the Company as on the cut-off date.
- iv. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
- v. Any person who acquires shares of the Company and becomes a shareholders of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at instameet@linkintime.co.in. However, if he/she is already registered with LI IPL for remote e-voting then he/she can use his/her existing user ID and password for casting the vote.
- vi. Shri J. J. Gandhi, proprietor of M/s. J. J.

- Gandhi & Co., Company Secretary in Practice (FCS 3519 and CP No: 2515) has been appointed as the Scrutinizer to scrutinize the e-voting at the meeting and remote e-voting process in a fair and transparent manner.
- vii. The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorised by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than two (2) working days from the conclusion of the AGM. The results declared along with the Scrutinizer's Report shall be communicated to the stock exchanges, Link Intime India Private Limited and will also be displayed on the Company's website.
 - viii. Securities and Exchange Board of India ("SEBI") has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, the Company / LI IPL have stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.
 - ix. Members holding shares in physical mode are: a) required to submit their Permanent Account Number (PAN) and bank account details to the Company/ LI IPL, if not registered with the Company/LI IPL, as mandated by SEBI by writing to the Company at investor@eimcoelecon.in or to LI IPL at vadodara@linkintime.co.in along with the details of folio no., self-attested copy of PAN card, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details) and cancelled cheque.
 - x. Pursuant to Section 72 of the Companies Act, 2013, Members holding shares in physical form may file their nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent i.e. LI IPL. In respect of shares held in electric/demat form, the nomination form may be filed with the respective Depository Participant.
 - xi. Non-Resident Indian members are requested to inform LI IPL / respective DPs, immediately of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch,



account type, account number and address of the bank with pin code number, if not furnished earlier.

Members are requested to send all their documents and communications pertaining to shares to the Registrar & Transfer (R&T) Agent of the Company: Link Intime India Private Limited (“LI IPL”) at their address at Geetakunj, 1, Bhakti Nagar Society, Behind ABS Tower, Old Padra Road, Vadodara, Gujarat, 390015 Tel. No. +91 265 6136000, for both physical and demat segments of Equity Shares.

Please quote on all such correspondence – “Unit – Eimco Elecon (India) Limited.” For Shareholders queries – Tel. No. +91 265 6136000, Email ID vadodara@linkintime.co.in, Website www.linkintime.co.in.

N. 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 3 days in advance with the Company on the specific email id at investor@eimcoelecon.in for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

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

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

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

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/ Against’.

5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

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

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

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

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

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

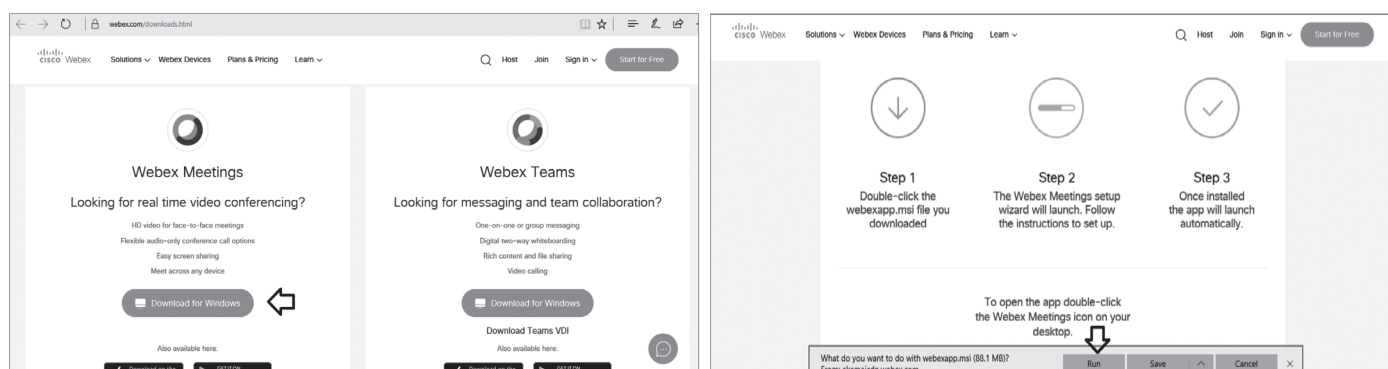
InstaMeet Support Desk,

Link Intime India Private Limited.

Annexure**Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET**

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>.



Step 1
Double-click the webexapp.msi file downloaded

Step 3
Once installed app will launch automatically.

To open the app double-click the Webex Meetings icon on your

Step 1
Double-click the webexapp.msi file downloaded

Step 3
Once installed app will launch automatically.

Step 1
Double-click the webexapp.msi file downloaded

Step 3
Once installed app will launch automatically.

OR

- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1 : Enter your First Name, Last Name and Email ID and click on Join Now.

- 1 (A)** If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
- 1 (B)** If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or **Run a temporary application.**

Click on **Run a temporary application**, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now.

The screenshot displays the Cisco Webex event join interface. On the left, under 'Event Information', there are fields for Event status, Date and time, Duration, and Description. Below this is a link to the Terms of Service and Privacy Statement. On the right, there is a 'Join Event Now' button. Below the button, a message reads: 'You cannot join the event now because it has not started.' Below this message are four input fields: 'First name:', 'Last name:', 'Email address:', and 'Event password:'. A large arrow points from the text 'Mention your First name, Last name and email address' to these input fields. Below the input fields is a 'Join Now' button and a 'Join by browser NEW!' link. At the bottom, it says 'If you are the host, start your event.'

O. 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:

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

- Visit URL: <https://eservices.nsd.com> and click on "Beneficial Owner" icon under "Login".
- Enter user id and password. Post successful authentication, click on "Access to e-voting".
- Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User not registered for IDeAS facility:

- To register, visit URL: <https://eservices.nsd.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
- Proceed with updating the required fields.
- Post registration, user will be provided with Login ID and password.
- After successful login, click on "Access to e-voting".



- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

- a) Visit URL: <https://www.evoting.nsdl.com/>
- b) Click on the “Login” tab available under ‘Shareholder/Member’ section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see “Access to e-voting”.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:**METHOD 1 – From Easi/Easiest**

Users who have registered/ opted for Easi/Easiest

- a) Visit URL: <https://web.cdslindia.com/myeasinew/home/login> or www.cdslindia.com.
- b) Click on New System Myeasi
- c) Login with user id and password
- d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users not registered for Easi/Easiest

- a) To register, visit URL: <https://web.cdslindia.com/myeasinew/Registration/EasiRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

- a) Visit URL: <https://www.cdslindia.com/>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on “Submit”.
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, members shall navigate through “e-voting” tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.

- d) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the 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:

1. Visit URL: <https://instavote.linkintime.co.in>
2. 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 (“Corporate Body/ Custodian/Mutual Fund”):

STEP 1 – Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on Sign up under “Corporate Body/ Custodian/Mutual Fund”
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which



is filled at the time of sign up at Sr. No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

- e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
- f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 – Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on “Investor Mapping” tab under the Menu Section.
- c) Map the Investor with the following details:
 - a. ‘Investor ID’ -
 - i. *Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678*
 - ii. *Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.*
 - b. ‘Investor’s Name - Enter full name of the entity.
 - c. ‘Investor PAN’ - Enter your 10-digit PAN issued by Income Tax Department.
 - d. ‘Power of Attorney’ - Attach Board resolution or Power of Attorney. File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the “Report Section”.

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on ‘Votes Entry’ tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- d) Enter ‘16-digit Demat Account No.’ for which you want to cast vote.
- e) 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).
- f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.
- g) 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. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) You will be able to see the notification for e-voting in inbox.
- c) Select 'View' icon for 'Company's Name / Event number'. E-voting page will appear.
- d) Download sample vote file from 'Download Sample Vote File' option.
- e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:**Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:**

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

Forgot Password:**Individual shareholders holding securities in physical form has forgotten the password:**

If an Individual shareholders holding securities in physical form 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>.

Click on ‘Login’ under ‘**SHARE HOLDER**’ tab and further Click ‘forgot password?’

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 a minimum of 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

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders (“Corporate Body/ Custodian/Mutual Fund”) has forgotten the password:

If a Non-Individual Shareholders holding securities in demat 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>

Click on ‘Login’ under ‘**Corporate Body/ Custodian/Mutual Fund**’ tab and further Click ‘forgot password?’

Enter User ID, Organization ID 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 a minimum of 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*



Individual Shareholders holding securities in demat mode with NSDL/ CDSL 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”.

By Order of the Board of Directors,

Registered Office:

Anand-Sojitra Road,
Vallabh Vidyanagar - 388 120,
Gujarat.

Place : Vallabh Vidyanagar
Date : 18th April, 2024

Rikenkumar Dalwadi
Company Secretary

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

Item No. 3

Shri Pradip M. Patel (DIN: 00012138), Non-Executive Non-Independent Director, shall retire by rotation at this AGM and he, being eligible, offers himself for reappointment.

The Company had taken approval of members by way of a special resolution at the 47th Annual General Meeting held on 5th August, 2021 for continuation of directorship of Shri Pradip M. Patel, Non-Executive Non-Independent Director, who has attained the age of 75 years on 5th November, 2021 in terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Since the Shri Pradip M. Patel is proposed to be re-appointed, approval of the shareholders by way of special resolution is sought in terms of Regulation 17 (1A) of SEBI Listing Regulation, 2015.

The Nomination and Remuneration Committee and the Board of Directors of the Company at their meeting held on 18th April, 2024 have recommended the continuation of directorship of Shri Pradip M. Patel as Non-Executive Non-Independent Director of the Company, considering his reach experience, expertise and immense contribution in the growth of the Company.

The Board of Directors recommends the special resolution set out at Item No. 3 of the Notice for approval by the Members.

The Members, are therefore, requested to grant their approval by way of passing a Special Resolution for the continuation of directorship of Shri Pradip M. Patel as Non-Executive Non-Independent Director of the Company, liable to retire by rotation.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives, other than Shri Pradip M. Patel, Shri Prayasvin B. Patel and their relatives, has in any way, concerned or interested in the said Resolution.

A brief profile of Shri Pradip M. Patel is attached to this notice.

Item No. 4

As per Regulation 17(1D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), after with effect from April 1, 2024, the continuation of a director serving on the Board of the Company shall be subject to the approval by the shareholders in a general meeting at least once in every five years from the date of their appointment or reappointment.

Shri Prashant C. Amin is Non-Executive Nominee Director of the Company and is not liable to retire by

rotation. Shri Prashant C. Amin has been nominated by Elecon Engineering Company Limited on the Board of Eimco Elecon (India) Limited as Nominee Director of the Company w.e.f. 9th November, 2016.

In accordance with the said regulations, it is necessary to approve continuation of his directorship on the Board of the Company.

The Nomination and Remuneration Committee and the Board of Directors of the Company at their meeting held on 18th April, 2024 have recommended the continuation of directorship of Shri Prashant C. Amin as a "Non-Executive Nominee Director" of the Company, considering his rich experience and expertise.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

The Members are, therefore, requested to grant their approval by way of passing an Ordinary Resolution for the continuation of directorship of Shri Prashant C. Amin as a 'Non-Executive Nominee Director' of the Company, not liable to retire by rotation.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives except Shri Prashant C. Amin is in any way concerned or interested, financially or otherwise, in the said Resolution.

A brief profile of Shri Prashant C. Amin is attached to this notice.

Item No. 5

The members of the Company at its 45th Annual General Meeting held on 25th July, 2019 had approved payment of remuneration by way of commission to the Non- Executive Directors of the Company, not exceeding 1% (one percent) per annum of the net profits of the company computed in the manner referred to Section 198 of the Companies Act, 2013. The approval was valid for a period of five (5) years commencing from 1st April, 2019 to 31st March, 2024.

Considering the rich experience and expertise brought to the Board by the Non-Executive Directors of the Company (other than the Managing Directors/the Whole-time Director/the Executive Director), it is proposed that remuneration by way of commission for a period of five (5) years commencing from 1st April, 2024 not exceeding in aggregate 1% (one percent) of the net profits of the Company for each financial year, calculated in accordance with Section 198 of the Companies Act, 2013 be continued to be paid and distributed amongst the Non-Executive Directors of the Company in accordance with the recommendations of the Nomination and Remuneration Committee of the Board and approval of the Board of Directors of the Company.

The said remuneration to the Non-Executive Directors of the Company shall be in-addition to the sitting fee payable to them for attending the meetings of the Board and Committee thereof.



The Board of Directors recommends the special resolution set out at Item No. 5 of the Notice for approval by the Members.

All the Non-Executive Directors of the Company are interested in the Resolution set out at Item No. 5 of the accompanying Notice, since it relates to their respective remuneration.

Item No. 6

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that all related party transactions shall require approval of the Audit Committee and all material related party transactions require approval of the shareholders through an Ordinary Resolution. A transaction with a related party shall be considered material, if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year exceed ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. Section 188 of the Companies Act, 2013 deals with Related Party Transactions and sub-section (1) of the Section 188 of the Companies Act, 2013 provides that nothing in this sub section shall apply to any transaction entered into by the Company in its ordinary course of business and at arm’s length basis. All the related party transactions entered/proposed to be entered into are in the ordinary course of business and at arm’s length basis.

Approval of Material Related Party Transactions under Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Background, details and benefits of the proposed Material Related Party Transactions by the Company with Emtici Marketing LLP is Related Parties as defined under Section 2 (76) of the Companies Act, 2013 and/ or under applicable accounting standards.

Emtici Marketing LLP

Your Company has transactions with Emtici Marketing LLP, related party, which are of value exceeding 10% of the Annual Turnover of the Company as per the Last Audited Financial Statement of the Company, being the threshold limit for Material Related Party Transactions under the SEBI (LODR) Regulations, 2015, your approval is being sought for the financial year 2024-25. The proposed value of the transactions with Emtici Marketing LLP is estimated to be ₹ 32 Crore and a specific detail as required for Material Related Party Transaction with Emtici Marketing LLP is provided at Annexure A to the Notice.

Hence, the transactions are required to be approved by the members. These transactions are in the ordinary course of business of the Company and on arm’s length basis.

Prior approval of the Audit Committee has been received for the same.

The Board of Directors recommends passing of the resolution as set out at Item No. 6 of this Notice as an Ordinary Resolution.

Pursuant to SEBI (LODR) Regulations, 2015, all the related parties i.e. all entities falling under definition of related parties as per Regulation 2(1)(zb) of the SEBI (LODR) Regulations, 2015, whether the entity is a related party in the context of the proposed transaction(s) or not, would not be eligible to vote (in favour) on the Item No. 6.

Shri Prayasvin B. Patel, Executive Director and Shri Pradip M. Patel, Director are interested in the resolution. None of the other directors and any other Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in the Resolution set out in 6.

Item No. 7

The Board of Directors at its meeting held on 18th April, 2024, upon the recommendation of the Audit Committee, approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending on 31st March, 2025 as per the following details:

Sr. No.	Name of Cost Auditor	Industry	Audit Fees
1.	M/s. Diwanji & Co.	Engineering	₹ 55,000/- Plus Govt. Levies/Taxes as applicable and out of pocket expenses at actual.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (as amended from time to time) the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the financial year ending on 31st March, 2025, as set out in the Ordinary Resolution for the aforesaid services to be rendered by them.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the Members.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives is in any way concerned or interested, financially or otherwise, in the said Resolution.

Details of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting
[Pursuant to Regulation 36 of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings (SS2)]
Item No. 3

Name of Director	Shri Pradip M. Patel
Director Identification Number	00012138
Date of Birth	05 th November, 1947
Date of Appointment	11 th January, 1996
Nationality	British
Qualifications	MBA (USA)
Experience (including expertise in specific functional area) / Brief Resume	Shri Pradip M. Patel has vast experience in Bearing Industry. He served as Managing Director of ABC Bearings Limited from 1 st August, 1981 to 31 st August, 2018. His core area of strength relating to the business is strong leadership, strategy building and operational direction.
Skill & Capabilities required for the Role and the manner in which he meets such requirements	He has expertise in the areas of management in a diverse organisation, finance, administration, corporate and strategic planning, sales & marketing etc.
Terms and Conditions of Appointment / Re-appointment	As per the Resolution at Item No. 3 of 50 th Annual General Meeting
Details of remuneration sought to be paid	As per the Nomination and Remuneration Policy of the Company
Details of remuneration last drawn	Please refer to the Corporate Governance Report
Number of equity shares held in the Company	NIL
No. of Board Meetings attended	4 out of 4
List of Directorships held in other Companies	<ul style="list-style-type: none"> - Elecon Engineering Company Limited - Emtici Engineering Limited - Power Build Private Limited - Manoway Investments Private Limited - Elecon Hydraulics Private Limited - Tech Elecon Private Limited - Aakaish Investments Private Limited - Vijay M. Mistry Construction Private Limited
Chairman/Membership of the Audit Committee and Stakeholders' Relationship Committee in other Listed Companies in which he is Director	<p>Elecon Engineering Company Limited Member- Audit Committee Member- Nomination and Remuneration Committee Member- Stakeholder Relationship Committee</p> <p>Power Build Private Limited Member- Audit Committee</p> <p>Emtici Engineering Limited Member – Corporate Social Responsibility Committee</p>
Relationship with other Directors / Key Managerial Personnel	Sister of Shri Prayasvin B. Patel, Executive Director has married to Shri Pradip M. Patel

**Item No. 4**

Name of Director	Shri Prashant C. Amin
Director Identification Number	01056652
Date of Birth	09 th August, 1956
Date of Appointment	09 th November, 2016
Nationality	USA
Qualifications	M.B.A. (Finance) (USA) & Master Degree in Engineering & Management
Experience (including expertise in specific functional area) / Brief Resume	He has approximately 43 years of experience in operating enterprises with strong leadership, strategy building and operational direction; successfully acquiring, integrating & managing foreign companies, with varied ownership structures and operating cultures. He has also served as an Executive Director of Elecon Engineering Company Limited from June, 2011 to May, 2020. He is also actively involved in the local business developments as trustee at the Vithal Udyognagar Industries Association and Charutar Arogya Mandal at Anand, Gujarat. He is a Board Member of the Sardar Patel Renewable Energy Research Institute. He also served CII, Gujarat as its Chairman.
Skill & Capabilities required for the Role and the manner in which he meets such requirements	He has strong operational, personal and social networking, deep understanding of multicultural business challenges, strong financial acumen, detailing, analytical and common sense approach. He is a strong believer in technology and continuous improvements, customer engagement and innovations.
Terms and Conditions of Appointment / Re-appointment	As per the Resolution at Item No. 4 of 50 th Annual General Meeting
Details of remuneration sought to be paid	As per the Nomination and Remuneration Policy of the Company
Details of remuneration last drawn	Please refer to the Corporate Governance Report
Number of equity shares held in the Company	1275
No. of Board Meetings attended	4 out of 4
List of Directorships held in other Companies	- Elecon Engineering Company Limited - Darshan Manufacturing Private Limited - Maruti Rubber Products Private Limited
Chairman/Membership of the Audit Committee and Stakeholders' Relationship Committee in other Listed Companies in which he is Director	Elecon Engineering Company Limited: Member - Corporate Social Responsibility Committee Member - Risk Management Committee
Relationship with other Directors / Key Managerial Personnel	Not Applicable

Annexure A

Item No. 6

Sr. No.	Particulars	Details
1	Name of Related Party	Emtici Marketing LLP
2	Nature of relationship	Group Company
3	Nature and Material Terms of Contract	Nature of Transactions
		Commission Payment
		Purchase of Material & Goods
		Rendering of Services
		Availing of Services
	The Material terms and conditions are based on the agreement/contract which includes the commercial terms which are market linked.	
4	Whether in Ordinary Course of Business	Yes
5	Whether at Arm's Length basis	Yes
6	Expected value of approval being sought	₹ 32 Crore
7	Justification as to how these RPTs is in the interest of the Company	These transactions are in ordinary course of business and commercially beneficial to the Company. These are essential for the Company to achieve its sales targets.
8	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	14.1% of the turnover of the preceding financial year. Whereas it will be less than 10% of the current financial year turnover.
9	If the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; ii) where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments, nature of indebtedness; cost of funds; and tenure; iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not Applicable
10	Details about valuation, arm's length and ordinary course of business	The Company evaluates quotations from various parties from time to time to justify the transactions entered at arm's length.
11	Rationale/Benefit of the transaction and why this transaction is in the interest of the Company	Emtici Marketing LLP helps the Company with its wide network and expertise in the mining industry to generate the business as well as provide after sales service and support to the customers. The Company pays commission as percentage of sales to avail these services.
12	Any other information relevant or important for the shareholders to take an informed decision	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

By Order of the Board of Directors,

Registered Office:
Anand-Sojitra Road,
Vallabh Vidyanagar - 388 120, Gujarat.

Place : Vallabh Vidyanagar
Date : 18th April, 2024

Rikenkumar Dalwadi
Company Secretary



BOARD'S REPORT

To:
The Members of Eimco Elecon (India) Limited,

The Directors take pleasure in presenting the 50th Annual Report together with the Audited Financial Statements for the Financial Year ended on 31st March, 2024.

1. HIGHLIGHTS OF PERFORMANCE

Total Revenue for the year increased to ₹ 22,750.28 Lakhs as compared to ₹ 17,269.70 Lakhs in the previous year. Profit Before Tax for the year was ₹ 4,994.94 Lakhs as compared to ₹ 2,648.62 Lakhs in the previous year. Profit After Tax for the year was ₹ 4,041.16 Lakhs as compared to ₹ 2,086.75 Lakhs in the previous year.

2. FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
Revenue from Operations	22,750.28	17,269.70	22,750.28	17,269.70
Other Income	1,842.19	1,048.61	1,654.33	905.81
Total Income from Operations	24,592.47	18,318.31	24,404.61	18,175.51
Profit Before Tax	4,994.94	2,648.62	4,807.08	2,514.36
Tax Expenses	953.78	561.87	953.78	561.87
Share in Profit of Associates (#)	-	-	1.46	8.54
Profit for the Year	4,041.16	2,086.75	3,854.76	1,952.49
Other Comprehensive Income	(22.41)	(19.19)	(22.41)	(19.19)
Total Comprehensive Income for the year	4,018.75	2,067.56	3,832.35	1,933.30
Equity Reserves	38,040.22	34,309.89	38,040.22	34,496.28

The Consolidated financial results includes Share in Associates (upto the date of cessation). On 12th July, 2023, the Company had disposed off the entire shareholding in its associate i.e. Eimco Elecon Electricals Limited at agreed consideration of ₹131.02 Lakhs. Accordingly Eimco Elecon Electricals Limited, ceased to be an associate of the Company with effect from 12th July, 2023.

3. DIVIDEND

Your directors recommend for your consideration a dividend of 50% i.e. ₹ 5/- per share on 57,68,385 equity shares of ₹ 10/- each for the year ended on 31st March, 2024 (Previous Year ₹5/- per share on 57,68,385 equity shares of ₹10/- each). Dividend is subject to approval of members at the ensuing Annual General Meeting (AGM) and shall be subject to deduction of income tax at source.

The Dividend Distribution Policy is available on the Company's website www.eimcoelecon.in.

During the year, the unclaimed dividend pertaining to the Financial Year 2015-16 has been transferred to the Investor Education & Protection Fund.

4. TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profit for the Financial Year 2023-24 in the Statement of Profit & Loss.

5. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

As on 31st March, 2024, the Company has neither subsidiary, nor Joint Venture and Associate Companies.

During the year under review, the Company has sold/disposed entire equity/investment of 5,10,000 equity Shares of ₹ 10 each (47.62% of share capital) of Eimco Elecon Electricals Limited (EEEL), an associate company to Aakaaish Investments Private Limited, a promoter group Company, for a total consideration of ₹ 131.02 Lakhs, accordingly EEEL has ceased as an Associate Company of the Company w.e.f. 12th July, 2023.

6. SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2024 was ₹ 576.84 Lakhs. During the year under review, the Company has neither issued shares with differential voting rights nor granted stock options or sweat equity.

7. BORROWINGS FINANCE

The Company continues to focus on judicious management of its working capital. Receivables, Inventories and other working capital parameters were kept under strict check through continuous monitoring. The whole of the properties of the Company have been suitably insured.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the financial statements provided in this Annual Report.

FIXED DEPOSITS

The Company has not accepted any deposit from public falling within the ambit of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014. There are no unpaid / unclaimed deposits as on 31st March, 2024.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL Cessation of term of Independent Director

Shri Nirmal P. Bhogilal (DIN: 001731687) had completed his second and final term as an Independent Director and consequently ceased to

be a Director of the Company w.e.f. the closure of business hours on 31st March, 2024. The Board placed on record their appreciation for the assistance and guidance provided by Shri Nirmal P. Bhogilal during his tenure as a Non-Executive Independent Director of the Company.

Appointment of Independent Director

Shri Jai S. Diwanji (DIN: 00910410) was appointed as an Additional Non-Executive Independent Director of the Company by the Board of Directors at their meeting held on 24th January, 2024 for a period of five years with effect from 1st April, 2024, subject to approval of members of the Company.

He is a Senior Partner at Desai & Diwanji, which is one of the leading legal firms in India. He has been with the firm since 2001.

He focuses on advising Indian and International clients on a wide range of Indian legal and regulatory issues, general corporate / commercial law, transactions, including insurance, private equity, venture capital, joint venture and strategic transactions. He has advised numerous and complex inbound and outbound transactions and has a detailed knowledge of the Indian legal and regulatory framework.

His sector experience includes start-ups, insurance, retail, e-commerce, education, aviation, banking & finance, telecommunication infrastructure, manufacturing, logistics and real estate.

The Company had sought the approval of the members by way of Special Resolution through notice of postal ballot dated 24th January, 2024 for the appointment of Shri Jai S. Diwanji as an Independent Director of the Company for a period of five years with effect from 1st April, 2024, which was duly passed and concluded on 5th March, 2024 by the members of the Company.

Director Retiring by Rotation

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Shri Pradip M. Patel (DIN: 00012138) retires by rotation at the forthcoming Annual General Meeting of the Company and, being eligible, offers himself for re-appointment. The Board recommends his appointment for your approval.

Performance Evaluation of the Board

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (LODR) Regulations, 2015 and notifications/ circulars of SEBI, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees.

The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Nomination and Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management Personnel and their remuneration. The weblink of the policy is <https://eimcoelecon.in/wp-content/uploads/2020/06/THE-NOMINATION-AND-REMUNERATION-POLICY.pdf>.

Meetings of the Board

During the year under review, Four (4) meetings of the Board were held. The meeting details are provided in the Corporate Governance Report that forms part of this Annual Report. The maximum interval between any two meetings is as prescribed under the Companies Act, 2013 and the SEBI (LODR), Regulations, 2015. During the year, some of the resolutions were also passed by way of circular resolutions.

Composition of Various Committees

Details of various committees constituted by the Board as per the provisions of Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 and the details of the said committee meetings are given in the Corporate Governance Report which forms part of this report.

Separate Meeting of Independent Directors

The Independent Directors met on 5th March, 2024 without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Declaration by Independent Directors

All Independent Directors of the Company have given declarations to the Company under Section 149 (7) of the Companies Act, 2013 and under Regulation 25(8) of the SEBI (LODR), Regulations, 2015, that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (LODR), Regulations, 2015.

Familiarisation Programme for Independent Directors

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms

of appointment, duties, responsibilities and expected time commitments. During the first Board Meeting attended, each newly appointed Independent Director is taken through a formal induction program, including the presentation from the Whole-time Director on the Company's manufacturing, marketing, finance and other important aspects. The Company Secretary briefs the Director about his/her legal and regulatory responsibilities as a Director. The Familiarization Programme for Independent Directors includes a detailed presentation by Business and Functional Heads, visit to the manufacturing site, etc.

Weblink for the Policy for the Familiarisation Programme for Independent Directors <https://eimcoelecon.in/details-of-familiarization-programmes-imparted-to-independent-directors/>.

Disclosures by Directors

None of the Director of your Company is disqualified as per the provisions of Section 164(2) of the Companies Act, 2013. Your Directors have made necessary disclosures, as required under provisions of the Companies Act, 2013.

Key Managerial Personnel

As on 31st March, 2024, Shri Mukulnarayan Dwivedi, Executive Director; Shri Vishal C. Begwani, Chief Financial Officer and Shri Rikenkumar Dalwadi, Company Secretary are designated as KMP of the Company.

9. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the frame work of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory, cost and secretarial auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the year ended on 31st March, 2024. Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, based on the above and the representations received from the Operating Management, the Board of Directors, to the best of their knowledge and ability, confirmed that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed and that there were no material departures therefrom;
- (ii) They have, in the selection of the accounting policies, consulted the statutory auditors and have applied their recommendations

consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of the profit of the Company for the year ended on that date;

- (iii) They have 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 for preventing and detecting fraud and other irregularities;
- (iv) They have prepared the annual accounts on a going concern basis;
- (v) They have laid internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively during the year ended on 31st March, 2024; and
- (vi) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the year ended on 31st March, 2024.

10. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As part of its initiatives under the Corporate Social Responsibility (CSR), the Company has undertaken projects in the area of education and health care. These projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR policy. The Annual Report on CSR activities is annexed herewith as **Annexure 'A'**.

11. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of the Company's business.

All Related Party Transactions are placed before the Audit Committee and the Board for approval. Prior approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature and in the ordinary course of the Company's business. Transactions with related parties are disclosed in the notes to accounts to the financial statements.

The Form No. AOC-2 envisages disclosure of material contracts or arrangement or transaction at arm's length basis is annexed with as **Annexure 'B'**.

The policy on Related Party Transactions as

approved by the Board is uploaded on the Company's website. The weblink of the policy is https://eimcoelecon.in/wp-content/uploads/2022/08/7_g_EIMCO-ELECON_RPT-Policy_31012022.pdf.

12. MANAGEMENT'S DISCUSSION AND ANALYSIS

A detailed review of the operations, performance and future outlook of the Company is given in the Management's Discussion and Analysis appearing as **Annexure 'C'** to this Report.

13. CORPORATE GOVERNANCE

Your Company has always striven to incorporate appropriate standards for good Corporate Governance. It has taken adequate steps to ensure that the provisions of Corporate Governance as prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 are complied with.

A detailed report on Corporate Governance is appearing as **Annexure 'D'** to this Report along with the Auditors' Certificate on its compliance by the Company.

14. PARTICULARS OF EMPLOYEES

The disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the 'Rules') have been appended as **Annexure 'E'**, forming part of this Report. Details of employee remuneration as required under the provisions of Section 197 of the Act and Rule 5(2) and 5(3) of the Rules are available to any Shareholder for inspection on request. If any Shareholder is interested in obtaining a copy thereof, such Shareholder may write to the Company Secretary, where upon a copy would be sent through email only.

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

The information on conservation of energy, technology of absorption and foreign exchange earning and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given in **Annexure 'F'** forming part of this report.

16. AUDITORS

(a) **Statutory Auditors**

Messrs K C Mehta & Co LLP, Chartered Accountants, Vadodara were appointed as the Statutory Auditors of the Company for a

period of 5 (five) consecutive years at the 48th Annual General Meeting of the Company until the conclusion of 53rd Annual General Meeting to be held for the financial year 2026-27.

The Statutory Auditors have confirmed their eligibility under Section 141 of the Companies Act, 2013 and submitted a certificate in affirming that they are not disqualified for holding the office of the Statutory Auditor of the Company. The report given by the Statutory Auditor on the financial statements of the Company forms the part of the Annual Report. The Statutory Auditor have issued an unqualified audit report on the annual accounts of the Company for the financial year 2023-24.

(b) **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs J. J. Gandhi & Co., Company Secretary in Practice to undertake the Secretarial Audit of the Company for the Financial Year 2023-24. The Report on the Secretarial Audit carried out by the Secretarial Auditor during the Financial Year 2023-24 is annexed herewith as **Annexure 'G'**. There is no secretarial audit qualification for the year under review.

Further, your Directors have on the recommendation of the Audit Committee appointed M/s. J. J. Gandhi & Co., Practising Company Secretary, Vadodara, as a Secretarial Auditors of the Company to undertake the Secretarial Audit of the Company and provide Annual Secretarial Compliance Report for the FY2024-25.

(c) **Cost Auditors**

Pursuant to Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its activity are required to be audited. Your Directors have, on the recommendation of the Audit Committee, appointed Messrs Diwanji & Co., Cost Accountants, to audit the cost accounts of the Company for the financial year ending 31st March, 2025 on a remuneration of ₹ 55,000/- plus taxes as applicable and out of pocket expenses.

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors is required to be placed before the Members in a general meeting for their ratification.

Accordingly, a Resolution seeking Members' ratification for the remuneration payable to Messrs Diwanji & Co., Cost Accountants, Cost Auditors is included at Item No. 7 of the Notice convening the Annual General Meeting.

The Cost Audit Reports provided by the previous cost auditors of the Company M/s. Y. S. Thakar & Co., for the year 2022-23 was filed with the Ministry of Corporate Affairs before the due date of filing.

17. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation systems, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to Messrs C. F. Patel & Co., Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, the Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions are taken by the Management. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the Management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

18. RISK MANAGEMENT

The Company operates in a competitive

environment and is generally exposed to various risks at different times such as technological risks, business risks, operational risks, financial risks etc. The Company has a system based approach to business risk management backed by strong internal control systems. A range of responsibilities from strategy to the operations is specified. A strong independent internal audit function at the corporate level carries out risk focused audits across all businesses enabling identification of areas where risk managements processes may need to be improved. The Management prepares the Risk Register which is reviewed by the Audit Committee and the Board.

The Board reviews internal audit findings and provides strategic guidance on internal control, monitors internal control environment within the Company and ensures that Internal Audit recommendations are effectively implemented. The combination of policies and procedures adequately addresses the various risks associated with your company's businesses.

19. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established Vigil Mechanism system and framed Whistle Blower Policy. Whistle Blower Policy is disclosed on the website of the Company at following web-link- https://eimcoelecon.in/wp-content/uploads/2023/01/The-Whistle-Blower-Policy_30012023.pdf.

20. DISCLOSURE UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainee) are covered under the policy.

The following is a summary of sexual harassment complaints received and disposed-off during the year 2023-24:

No. of complaints received	:	Nil
No. of complaints disposed off	:	N.A.
No. of complaints pending	:	Nil

The policy on Sexual Harassment at workplace

is placed on the Company's website at <https://eimcoelecon.in/wp-content/uploads/2019/04/Sexual-Harassment-Policy.pdf>.

21. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return as on 31st March, 2024 is available on the Company's website <https://eimcoelecon.in/annual-return-as-provided-under-section-92-of-the-companies-act-2013/>.

22. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors and Secretarial Auditors to report to the Audit Committee or the Board or the Central Government under Section 143(12) of the Companies Act, 2013 and Rules framed thereunder.

23. INSURANCE

The Company takes a very pragmatic approach towards insurance. Adequate insurance cover has been taken for all movable and immovable assets for various types of risks.

24. INDUSTRIAL RELATIONS/PERSONNEL

Your Company is committed to upholding its excellent reputation in the field of Industrial relations. Through continuous efforts the Company invests and improvises development programmes for its employees.

25. MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the Financial Year and date of this report.

26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS/TRIBUNALS

No significant material orders have been passed by the Regulators/Courts/Tribunals which would impact the going concern status and its future operations of the Company.

27. APPLICATION MADE OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the financial period under review, no application was made under the Insolvency and Bankruptcy Code, 2016 ("IBC 2016") by the Company. No proceedings are pending under IBC 2016 against the Company.

28. PARTICULARS OF VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND

VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

During the financial period under review, there were no instances of any one-time settlement against loans taken from Banks or Financial Institutions.

29. CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business during the year under review.

30. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SEBI, vide its circular dated 10th May, 2021, made Business Responsibility and Sustainability Report (BRSR) mandatory for the top 1000 listed companies by market capitalisation from financial year 2023.

Your company is not covered under top 1000 listed companies by market capitalisation. Therefore, BRSR is not applicable to the Company.

31. COMPLIANCE OF SECRETARIAL STANDARDS

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

32. ACKNOWLEDGEMENT

Your Directors are highly grateful for the unstinted guidance, support and assistance received from the Government, Bankers and Financial Institutions. Your Directors are thankful to all valuable Stakeholders of the Company viz. shareholders, customers, dealers, vendors, suppliers, collaborators, business associates and other agencies for their faith, trust and confidence reposed in the Company.

Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel.

For and on behalf of the Board of Directors,

Mukulnarayan Dwivedi
Executive Director
DIN : 08442155

Prayasvin B. Patel
Executive Director
DIN : 00037394

Place : Vallabh Vidyanagar
Date : 18th April, 2024

**ANNEXURE - 'A' TO BOARD'S REPORT - ITEM NO.10****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES***[Pursuant to section 135 of the Companies Act, 2013 read with Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014]***1. Brief outline on CSR Policy of the Company:**

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and Rules made thereunder. The CSR Policy provides for carrying out CSR activities in respect of those areas as provided in Schedule VII of the Companies Act, 2013.

2. Composition of the CSR Committee:

Sr. 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	Shri Pradip M. Patel	Chairman	Non-Independent, Non-Executive Director	1	1
2	Shri Prashant C. Amin	Member	Non-Independent, Non-Executive Director	1	1
3	Smt. Manjuladevi P. Shroff	Member	Independent, Non-Executive 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.

These details are disclosed on the Company's website at <https://eimcoelecon.in>.

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

The Company at present is not required to carry out impact assessment in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

5. CSR obligation for the financial year:

Sr. No.	Financial Year	Amount required to be setoff for the financial year, if any (₹ in Lakhs)
1.	Average net profit of the company as per section 135(5)	1022.57
2.	Two percent of average net profit of the company as per sub-section (5) of section 135:	20.45
3.	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	Nil
4.	Amount required to be set-off for the financial year, if any.	Nil
5.	Total CSR obligation for the financial year [(b)+(c)-(d)].	21.40

6. CSR amount spent or unspent for the Financial Year:

Sr. No.	Financial Year	Amount required to be setoff for the financial year, if any (₹ in Lakhs)
(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	21.40
(b)	Amount spent in Administrative Overheads.	NIL
(c)	Amount spent on Impact Assessment, if applicable.	NA
(d)	Total amount spent for the Financial Year [(a)+(b)+(c)].	21.40

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	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
21.40	NIL	NA	NA	NIL	NA

(f) Excess amount for set-off, if any:

Sr. No.	Particulars	(₹ in Lakhs)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	20.45
(ii)	Total amount spent for the Financial Year	21.40
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.95
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.95

7. Details of the unspent Corporate Social Responsibility amount for the preceding three financial years:

Sl. No.	Preceding financial year	Amount transferred to the Unspent CSR Account under sub-section (6) of section 135	Balance Amount in Unspent CSR Account under sub section (6) of section 135	Amount spent in the financial year	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of Transfer		
Not Applicable								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

If Yes, enter the number of Capital assets created/ acquired:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. 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

Mukulnarayan Dwivedi

Executive Director

DIN : 08442155

Prayasvin B. Patel

Executive Director

DIN : 00037394

Pradip M. Patel

Chairman of

CSR Committee

DIN : 00012138

Place : Vallabh Vidyanagar

 Date : 18th April, 2024

ANNEXURE 'B' TO BOARD'S REPORT - ITEM NO. 11

Form for 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:

Form No. AOC-2: Material Related Party Transaction

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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:

Details of contracts or arrangements or transactions not at arm's length basis during the year ended on 31st March, 2024:

Not Applicable.

Details of material contracts or arrangement or transactions at arm's length basis during the year ended on 31st March, 2024:

Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, the 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 are required to be disclosed in Form AOC-2. The Form AOC – 2 envisages disclosure of material contracts or arrangements or transactions at arm's length basis. The details herein are as per the policy on dealing with related party transactions adopted by the Company.

Name of related party & Nature of Contract	Nature of relationship	Duration of contract	Salient terms	(₹ in Lakhs)
Emtici Marketing LLP Sales Commission	Related party of the Company u/s 2(76) read with Section 188 of the Companies Act, 2013	1 year w.e.f. 1 st April, 2023 to 31 st March, 2024.	Material terms and conditions are based on the agreement/ contract which inter-alia includes the commercial terms which are market linked.	1,910.48
Emtici Marketing LLP Purchase of Goods or Materials				27.52
Emtici Marketing LLP Availing of Services				1.79
Emtici Marketing LLP Rendering of Services				1.41

Note:

- Amount paid as advances, if any: Nil
- The contracts / arrangement to be entered with EMTICI Marketing LLP by the Company were approved by the Audit Committee and Board of Directors on 24th April, 2023 and by the Members of the Company at its 49th Annual General Meeting held on 28th June, 2023.
- The revised contract / arrangement to be entered with EMTICI Marketing LLP by the Company were approved by the Audit Committee and Board of Directors on 24th January, 2024. The revised approval of the Members was sought through Postal Ballot notice dated 24th January, 2024 by the Company, which was duly passed by the Members and concluded on 5th March, 2024.
- The amount is exclusive of tax.

For and on behalf of the Board of Directors,

Mukulnarayan Dwivedi
Executive Director
DIN : 08442155

Prayasvin B. Patel
Executive Director
DIN : 00037394

Place : Vallabh Vidyanagar

Date : 18th April, 2024

Management's Discussion and Analysis

ANNEXURE - 'C' TO BOARD'S REPORT - ITEM NO. 12

INDUSTRY STRUCTURE AND DEVELOPMENT

INDUSTRY STRUCTURE AND DEVELOPMENTS :

COAL / METAL INDUSTRY

This FY 23-24, Coal India Limited, the largest coal producer in India, could increase their production over the last FY by over 10 percent (to 773 MT against 703 MT in 2022-23). On the other hand, SCCL's annual production improved marginally over the last FY to 70 MT against 67 MT. Captive and commercial coal blocks produced 154 MT as against 123 MT in the last FY. Thermal power plants started 2024-25 with 50.7 million tonnes of coal stock, about 37% higher year-on-year.

For the FY 2023-24, total coal and coke imports increased by 8% over last F.Y. to 268 MT. However to reduce coal import bill the Coal mining industry needs to enhance its capacity rapidly.

In 2019, our Parliament passed a bill that removed end-use restrictions for participating in coal mine auctions and open up the coal sector fully for commercial mining by domestic and global companies. The government offered major rebates on revenue share to winners of commercial coal block auctions in order to draw investments from local and global miners. So far 107 coal blocks have been successfully auctioned with peak rated capacity of 250 MT /year approx. Out of these 59 have been actually allocated so far. (till 31/03/2024).

OPPORTUNITIES AND THREATS :

Coal is the largest source of electricity in the India. Thermal power plants generate over 70% of India's electricity. The renewable energy uses and alternate fuels are growing in India but the demand increase in power sector is much higher to be compensated by them only. The use of electrical automotive may further accelerate the demand for coal. This, combined with the growth of coal-consuming industrial sectors like steel, is why the solid fuel source will continue to be integral to India's economy in the next couple of decades.

Our equipment demand largely depends on the underground (UG) coal mining production. UG coal is superior in quality compared with Opencast (OC) and reduces the import burden for higher grades of coal. Further, UG mining is minimally invasive on land, detours land acquisition, avoiding its degradation, environmentally clean, and is society friendly. India has huge untapped potential for UG mining, with extractable reserves beyond 300 m depth. Around 70% of the country's coal reserves are amenable to UG mining, which delivers several advantages. So far, the primary reason for slow-peddling UG mining was loss-incurring

production due to conservative and manual operations, which lead to low productivity. However, now the technology upgradation to blast free technology has opened up new avenues. After the downturn in output from the UG mining segment, benefited by technological progress undertaken over the years, Coal India Limited now aims to increase production of UG coal from ~35 million tonne (MT) in fiscal 2023 to 100 MT in fiscal 2028 and 120 MT in fiscal 2030. Currently, UG Coal forms ~4% of total coal production and the ministry aims to take the same to 10% by 2030.

FUTURE SCENARIO:

In the underground mining sector, the coming days will witness increase in demand for equipment catering to blast-free technology in underground coal mines and bigger size loaders and low profile dump trucks in the metal mines namely Zinc, Copper and Uranium etc.

There has been the spectacular rise of the mine development operator (MDO) mode of mining. Subcontracting of mine operations has been a major feature of the coal industry for more than two decades now. It has also brought considerable financial and operational efficiencies to Coal India.

PRODUCT WISE PERFORMANCE :

Intermediate technology continues to be the backbone of underground production with around 65 percent of the total UG Coal production being met by SDLs and LHDs. Our indigenously developed CM package is under trial and will be established in the coming days. Also the introduction of high capacity underground loaders for the metal mines will add to our revenues. Our bigger size LHD of 7 Tone and 10 Tone capacities have been established successfully. Recently, we have received and executed several orders for bigger size diesel loaders from UCIL and other leading mine contractors.

RISK AND CONCERNS

The main risk and concern of the Company remain that it will continue to depend more on Government clients for some more time till the private coal blocks for commercial and non-commercial usages attain their peak production capacities.

CONSTRUCTION EQUIPMENT INDUSTRY

The Indian Construction Equipment Market was valued at US\$ 7.25 Bn. in 2022 and is estimated to reach a value of US\$ 13.17 Bn. in 2029, the market size is estimated to grow at a CAGR of 8.9% over the forecast period.

India's high growth imperative in 2023 and beyond will significantly be driven by major strides in key sectors with infrastructure development and Investment as main priority and aiding the progress.

The Indian construction equipment industry has shown a robust growth in equipment sales during this year surpassing last year figure in 10th month itself. As per the ICEMA report this is due to rising domestic sales with overall Y-O-Y growth in CE sales and is underpinned across all segments viz 27% for earth moving, 39% for material handling equipment, 34% for road construction and 17% for material processing equipment's.

The government's focus on building infrastructure of the future has been evident given the slew of initiatives launched recently. The US\$ 1.3 trillion national master plan for infrastructure, Gati Shakti, has been a forerunner to bring about systemic and effective reforms in the sector, and has already shown a significant headway.

Under the National Infrastructure Pipeline (NIP), projects worth INR 108 trillion (US\$ 1.3 trillion) are currently at different stages of implementation, the road construction per day has reached a record high of 42 kms per day.

Seeing all these we can foresee that the atmosphere for construction equipment's is conducive for growth in coming years.

OPPORTUNITIES & THREATS

Stable Government and major focus on Infrastructure development/investment in coming years there is always opportunity for all construction equipment's including Piling Rig.

We need to increase our market reach, focused customer service & quality consciousness are the key for sustainability in this segment. Rental equipment is one area of opportunity where focus can be put.

Majorly this piling rigs segment is dominated by Chinese rigs and seeing the Government initiatives all construction companies are laying emphasis on manufacturing in make in India.

There is a global regulatory pressure on equipment manufacturers in coming years to introduce electric and hybrid construction vehicles over conventional ones for construction equipment's but as of now emphasis is for excavator and dumpers and not for piling rigs.

Chinese OEMs are biggest threat always, in particular they are displaying a keen interest in electrifying equipment's by incorporating sizable batteries.

PRODUCT AND PERFORMANCE

We have now made significant inroads by manufacturing Piling rig under make in India initiative with the technical collaboration with CZM from USA. The performance is better when compared to rivals in the market with the

added features like a high torque to weight ratio for extremely high productivity with minimal fuel consumption, an anti-shock valve for smooth hard rock cutting with extra protection of hydraulic components during spin-off for long hydraulic component life, Cost-effective replaceable rotary internal locks; a unique Kelly bar with special Hardox and edge over competitors.

We are adding further models to this range available with us now to meet market demands for some particular applications and increase the product portfolio.

FUTURE SCENARIO OUTLOOK

The Government of India has made infrastructure creation a major pillar for sustainable growth and in promoting 'Make in India' initiatives which is main driver for all the investment being made.

The Indian construction equipment (CE) industry, which aspires to become the world's second largest by 2030 is poised for remarkable expansion which is a good sign for future.

The outlook is very positive for next decade with India posing for big dream Viksit Bharat 2047.

INTERNAL CONTROL SYSTEM

The Company's internal control systems are adequate, considering size and nature of operation of the Company, to meet regulatory / statutory requirements.

DEVELOPMENTS ON HUMAN RESOURCE/ INDUSTRIAL RELATIONS FRONT

The Company attaches utmost priority to human resource development with focus on regular upgradation of the knowledge and skills of all employees and equipping them with the necessary expertise to meet the challenges of change and growth successfully. The company continuously monitors its manpower requirement to ensure that it has adequate human skills commensurate with its needs. Industrial relations of the Company continue to be cordial. As on 31st March, 2024, there were 124 permanent employees on role of the Company.

KEY FINANCIAL RATIOS

Pursuant to Schedule V(B) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Key Financial Ratios along with detailed explanations are as follows:

No.	Ratio	2023-24	2022-23
i.	Debtors Turnover	3.07	3.71
ii.	Inventory Turnover Ratio	1.41	1.20
iii.	Interest Coverage Ratio*	153.14	53.86
iv.	Current Ratio	3.45	4.42

v.	Debt Equity Ratio	-	-
vi.	Operating Margin	17%	13.90%
vii.	Net Profit Margin*	16.43%	11.39%
viii.	Return on Net Worth	10%	6%

* There is a change of more than 25% in Interest Coverage Ratio and Net Profit Margin as a results of increase in sales and better margin.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE AND OUTLOOK.

Revenue from Operations & Other Income for the year ended 31st March, 2024 were ₹ 24,592.47 Lakhs as compared to ₹ 18,318.31 Lakhs on 31st March, 2023. The net profit stood at ₹ 4,041.16 Lakhs (previous year ₹ 2,067.56 Lakhs).

CAUTIONARY STATEMENT

Statements in this report on describing the Company's objectives, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future

events. Actual results could, however, differ materially from those expressed or implied.

The Company assumes no responsibility in respect of forward-looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

For and on behalf of the Board of Directors,

Mukulnarayan Dwivedi

Executive Director

DIN : 08442155

Prayasvin B. Patel

Executive Director

DIN : 00037394

Place : Vallabh Vidyanagar

Date : 18th April, 2024



CORPORATE GOVERNANCE REPORT

ANNEXURE 'D' TO THE BOARD'S REPORT - ITEM NO.13

1. COMPANY'S PHILOSOPHY

Pursuant to the practice of Good Corporate Governance, your Company is committed to meet the aspirations of all our stakeholders and believes in adopting the best corporate practices for ethical conduct of business.

Your Company continues to maintain its industry leadership, by pursuing excellence in everything it does, including standards of business conduct. The Company's philosophy on Corporate Governance emanates from the principles of ethical governance and is aimed at conducting of business in an efficient and transparent manner and in meeting its obligations to shareholders and other stakeholders. This objective is achieved by adopting corporate practices based on principles of transparency, accountability, fairness and integrity to create long-term sustainable value for all its stakeholders.

The Company is committed to good Corporate Governance. The mandatory and non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') have been fully implemented by your Company. The Company firmly believes in the rights of its stakeholders for information regarding the Company's business and financial performance.

2. BOARD OF DIRECTORS

The Board of Directors of the Company is the highest governance authority within the management structure of the Company. Further, the Board is totally committed to the best practices for effective Corporate Governance.

The Board, along with its Committees, provides leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholders' value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. The Board composition is in accordance with the Companies Act, 2013 ('the Act') and the Listing Regulations.

Composition of the Board

The Board is at the helm of governance structure at the Company. The Board has diverse, and optimum mix of Executive and Non-Executive Directors. The composition is in line with the applicable provisions of Companies Act, 2013 ('the Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). As on date of this Report, the Board consists of eight Directors comprising four Independent Directors (including two women directors), one Non-Executive Director, two Executive Directors and one Nominee Director. The composition of the Board represents optimum combination of the knowledge, experience and skills which are required by the Board to discharge its responsibilities effectively.

The Composition and category of Board of Directors and the number of Directorships and Committee positions held by them as on 31st March, 2024 are as under:

Name and Designation of Director(s) (DIN)	Category	No. of Other Directorships held	No. of Board Committees in which Chairman/Member		List of Directorship held in Other Listed Companies	Category of Directorship
			Chairman	Member		
Shri Pradip M Patel Chairman (DIN:00012138)	Non-Independent & Non-Executive Director	2	-	2	Elecon Engineering Co. Limited	Non-Independent Non-Executive Director
Shri Prayasvin B. Patel (DIN:00037394)	Non-Independent & Executive Director (Promoter)	8	-	-	Elecon Engineering Co. Limited	Chairman and Managing Director
Shri Mukulnarayan Dwivedi (DIN:08442155)	Non-Independent & Executive Director	-	-	-	-	-
Shri Prashant C. Amin (DIN:01056652)	Non- Executive & Nominee Director	1	-	-	Elecon Engineering Co. Limited	Non-Independent Non-Executive Director
Shri Nirmal P. Bhogilal (DIN:00173168)	Independent & Non-Executive Director	1	-	1	Batlilboi Limited	Chairman & Executive Director
Smt. Manjuladevi Shroff (DIN:00297159)	Independent & Non-Executive Director	-	-	-	-	-
Ms. Reena P. Bhagwati (DIN:00096280)	Independent & Non-Executive Director	3	-	5	Bhagwati Auto Limited The Anup Engineering Ltd. Symphony Limited	Managing Director Independent Director Independent Director
Shri Venkatraman Srinivasan (DIN:00246012)	Independent & Non-Executive Director	3	1	5	Fairchem Organics Limited Mahanagar Gas Limited Amal Limited	Independent Director Independent Director Independent Director

Notes :

- * The Directorship held by the directors, as mentioned above, excludes directorship in the Company, directorship in foreign companies, high value debt listed Companies, Companies registered under Section - 8 of the Companies Act, 2013 and private companies which are not subsidiaries of public limited companies.
- In the above table, Membership/Chairmanship upto committees only i.e. Audit Committee and Stakeholders Relationship Committees of Indian Companies have been considered for Committee position.
- # Elecon Engineering Company Limited, being a significant equity investor has nominated Shri Prashant C. Amin on the Board of Directors of the Company.
- Shri Nirmal P. Bhogilal ceased to be the director of the Company from the closure of business hours as on 31st March, 2024 due to completion of his second and final term of being a Director of the Company. Shri Jai S. Diwanji was appointed as an Independent Director of the Company w.e.f. 1st April, 2024.
- During the period under review, none of the Independent Director of the Company has resigned.
- As on 31st March, 2024 none of the directors of the Company were related to each other except Shri Pradip M. Patel, who is Shri Prayasvin B. Patel's Sister's husband.



7) As on 31st March, 2024 the Non-Executive Director hold equity shares of the company as follows:

Shri Pradip M. Patel	Nil
Shri Prashant C. Amin	1,275
Shri Nirmal P. Bhogilal	Nil
Smt. Manjuladevi P. Shroff	Nil
Ms. Reena P. Bhagwati	Nil
Shri Venkatraman Srinivasan	Nil

BOARD MEETINGS AND PROCEDURES

(A) Scheduling and Selection of Agenda items for Board Meetings

- i. The meetings are being convened by giving appropriate advance notice after obtaining the approval of the Chairman of the Board. Detailed agenda, management reports and other explanatory statements are circulated in advance amongst the members for facilitating meaningful, informed and focused decisions. To address specific urgent needs, meetings are also being called at shorter notice. The Board is also authorized to pass resolution by circulation for all such matters, which are of utmost urgent nature.
- ii. Where it is not practicable to attach any document or an agenda is of price sensitive in nature, the same is placed on the table with the approval of Chairman of the Board. In special and exceptional circumstances, additional or supplemental item(s) on the agenda are permitted. Sensitive subject matters are discussed at the meeting without written materials being circulated.
- iii. The agenda papers are prepared by the Company Secretary and submitted to the Chairman for his approval. Duly approved agenda papers are circulated amongst the Board Members by the Company Secretary.
- iv. As per convenience of the Members of the Board and Committees, the Meetings are usually held at the Company's registered office at Vallabh Vidyanagar, Dist. Anand, Gujarat. Video Conferencing (VC)/ Other Audio Visual Means (OAVM) facilities are used as and when required to facilitate directors at other locations to participate in the meetings.
- v. The Members of the Board have complete access to all information of the Company. The Board is also free to recommend inclusion of any matter in agenda for discussion. Senior Management Officials are called to provide inputs to the items discussed by the Board as and when required.

(B) Recording minutes of proceedings at the Board / Committee Meetings

Minutes of the proceedings of each Board/ Committee Meeting are recorded and the same are approved in the next Board/ Committee Meeting. The minutes of the proceedings of the meetings are entered in the minutes book and the same are signed by the Chairman as prescribed in the Companies Act, 2013 and the Rules made thereunder and as per the Secretarial Standards issued by the Institute of Company Secretaries of India.

(C) Compliance

The Compliance Officer while preparing the agenda notes is responsible for and is required to ensure adherence to all the applicable provisions of law, rules, guidelines etc. The Company Secretary has to ensure compliance to all the applicable provisions of the Companies Act, 2013, SEBI Guidelines, Listing Regulations and other statutory requirements pertaining to the capital market. The Board of Directors reviews quarterly Compliance Report confirming adherence to all applicable laws, rules, regulations and guidelines.

BOARD MEETINGS

During the year 2023-24, four (4) Board Meetings were held i.e. on 24th April, 2023; 10th July, 2023; 17th October, 2023 and 24th January, 2024. The maximum gap between two consecutive meetings was as stipulated under Section 173(3) of the Companies Act, 2013 and Regulation 17(2) of the SEBI (LODR) Regulation, 2015. The necessary quorum was present in all the meetings. Leave of absence was granted to the concerned Directors who could not attend the respective Meetings.

The details of Attendance of Directors at the Board Meetings and last Annual General Meeting are as under:-

Sr. No.	Name of Directors	No. of Board Meetings held during the tenure of Directorship	No. of Board Meetings Attended	Attendance at Last AGM
1.	Shri Pradip M. Patel	4	4	Yes
2.	Shri Prayasvin B. Patel	4	4	Yes
3.	Shri Mukulnarayan Dwivedi	4	4	Yes
4.	Shri Prashant C. Amin	4	4	Yes
5.	Shri Nirmal P. Bhogilal	4	4	Yes
6.	Shri Venkatraman Srinivasan	3	3	Yes
7.	Smt. Manjuladevi P. Shroff	4	3	Yes
8.	Ms. Reena P. Bhagwati	4	4	Yes

(D) Cessation of Term of Independent Director

Shri Nirmal P. Bhogilal (DIN: 001731687) has completed his second and final term as an Independent Director and consequently ceased to be an Independent Director of the Company w.e.f. the closure of business hours on 31st March, 2024. The Board placed on record their appreciation for the assistance and guidance provided by Shri Nirmal P. Bhogilal during his tenure as a Non-Executive Independent Director of the Company.

(E) Appointment of Independent Director

On appointment of new Independent Director, Company issues formal letter of appointment to independent director describing their duties, responsibilities, etc.

The terms and conditions of appointment of Independent Directors are uploaded on the website of the Company and can be accessed through weblink https://eimcoelecon.in/wp-content/uploads/2022/08/2_b_Letter-of-Appointment_Terms-of-Appointment.pdf.

(F) Separate Meeting of Independent Directors

Separate meeting of Independent Directors was held on 5th March, 2024 to evaluate the performance of Non-Independent Directors and the Board as a whole as well as the performance of the Chairman of the Company.

(G) Director Retiring by Rotation

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Shri Pradip M. Patel (DIN: 00012138) retires by rotation at the forthcoming Annual General Meeting of the Company and, being eligible, offers himself for re-appointment. The Board recommends his appointment for your approval.

(H) Familiarisation Programme for Independent Directors

The Company has conducted the familiarization programme for Independent Directors of the Company; details for the same have been disclosed on the Company's website and can be accessed through weblink <https://eimcoelecon.in/details-of-familiarization-programmes-imparted-to-independent-directors/>.

(I) Core Skills/ Expertise / Competencies Available With Board

The following skills / expertise / competence that allow them to make effective contributions to the Board and its Committees:

Core Skills/ Expertise / Competencies	Name of Directors								
	Shri Pradip M. Patel	Shri Prayasvin B. Patel	Shri Mukulnarayn Dwivedi	Shri Prashant C. Amin	Shri Nirmal P. Bhogital	Smt. Manjuladevi P. Shroff	Ms. Reena P. Bhagwati	Shri Venkatraman Srinivasan	Shri Jai S. Diwanji
Leadership experience in managing the Company's business.	x	√	√	x	x	x	x	x	x
Experience and knowledge of Industry.	x	√	√	x	x	x	x	x	√
Expertise in Strategic Business Planning and Corporate Management.	√	√	√	√	√	√	√	x	√
Organisational Capacity Building.	x	√	√	√	√	√	√	x	√
Entrepreneurship qualities.	√	√	√	√	√	√	√	x	√
Academic knowledge	√	√	√	√	√	√	√	√	√
Expertise in the field of technology and Research & Development.	x	√	√	x	x	x	√	x	x
Experience and Knowledge in finance, tax, risk management, compliance and corporate governance.	√	√	√	√	√	√	√	√	√
Legal or Regulatory knowledge in the field of business of the Company.	x	√	√	x	x	x	x	x	√

(J) Declaration from the Independent Directors

All Independent Directors of the Company have given declarations to the Company under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the Listing Regulations, that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

COMMITTEES OF THE BOARD

The Board has constituted four Committees, namely Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee.

3. AUDIT COMMITTEE

The Audit Committee is governed by and is in line with the regulatory requirements mandated by Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015.

The terms of reference of the Audit Committee are as under:

1. 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;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and the Auditors Report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by the Management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions

- g. Qualifications in the draft audit report.
5. Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval;
 6. Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 7. Review and monitor the Auditors' independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the Company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the Company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, including reporting structure coverage and frequency of internal audit;
 14. Discussion with the internal auditors of any significant findings and follow up there on;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 16. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. To review the functioning of the Whistle Blower mechanism;
 19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 21. Reviewing the utilization of loans and/or advances from/investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.
 22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

In addition to the above, the following information of the Company will be reviewed by the Audit Committee:

1. Management Discussion and Analysis of financial condition and results of operations;
2. Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
3. Internal audit reports relating to internal control weaknesses; and
4. Appointment, removal and terms of remuneration of the Internal Auditors.
5. Statement of deviations:
 - i. quarterly statement of deviation(s), including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Listing Regulations.
 - ii. annual statement of funds utilized for purposes other than those stated in the offer document prospectus/ notice in terms of Listing Regulations.

The composition of the Audit Committee is as under:

Name of Members	Designation	Category
Shri Venkatraman Srinivasan#	Chairman	Independent & Non- Executive Director
Shri Nirmal P. Bhogilal*	Member	Independent & Non- Executive Director
Smt. Manjuladevi P. Shroff	Member	Independent & Non- Executive Director
Shri Pradip M. Patel	Member	Non-Independent & Non- Executive Director
Shri Jai S. Diwanji@	Member	Independent & Non- Executive Director

*Shri Nirmal P. Bhogilal acted as the Chairman of the Committee meeting held on 24th April, 2023.

Shri Venkatraman Srinivasan inducted into the Committee w.e.f. 24th April, 2023 and acted as the Chairman of the Committee Meeting held thereafter from 10th July, 2023.

*Shri Nirmal P. Bhogilal ceased to be the director of the Company from the closure of business hours as on 31st March, 2024 due to completion of his second and final term of being an Independent Director of the Company, thus vacating the committee and position as well.

@ Shri Jai S. Diwanji was appointed as the Member of the Committee w.e.f. 1st April, 2024.

Meetings and attendance during the year:

Members	Attendance at Committee Meeting held on			
	24 th April, 2023	10 th July, 2023	17 th October, 2023	24 th January, 2024
Shri Venkatraman Srinivasan	No	Yes	Yes	Yes
Shri Nirmal P. Bhogilal	Yes	Yes	Yes	Yes
Smt. Manjuladevi P. Shroff	Yes	No	Yes	Yes
Shri Pradip M. Patel	Yes	Yes	Yes	Yes

The meetings of the Audit Committee are usually attended by the Whole-time Director, the Executive Director, the Chief Financial Officer, the Business Heads of the Company. The representatives of the Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary of the Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

In compliance with the Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015; the Board of Directors has constituted the "Nomination and Remuneration Committee" in its meeting. The Company has formulated the Nomination and Remuneration Policy, which was approved by the Nomination and Remuneration Committee followed by the approval of the Board of Directors.

Nomination and Remuneration Committee has been constituted to recommend the remuneration package of Directors and KMPs based on the performance and defined criteria.

The terms of reference of Nomination and Remuneration Committee are as under:-

1. Formulation of the criteria for determining 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;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of Independent Directors and the Board;
4. Devising a policy on Board diversity;

5. 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.
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

The composition of the Nomination & Remuneration Committee is as under :

Name of Members	Designation	Category
Shri Nirmal P. Bhogilal*	Chairman	Independent & Non- Executive Director
Ms. Reena P. Bhagwati#	Member	Independent & Non- Executive Director
Shri Pradip M. Patel	Member	Non-Independent & Non- Executive Director
Shri Jai S. Diwanji	Member	Independent & Non- Executive Director

*Shri Nirmal P. Bhogilal ceased to be the director of the Company from the closure of business hours as on 31st March, 2024 due to completion of his second and final term of being an Independent Director of the Company, thus vacating the committee and position as well.

Ms. Reena P. Bhagwati was appointed as the Chairperson of the Committee w.e.f. 1st April, 2024.

Shri Jai S. Diwanji was appointed as the Member of the Committee w.e.f. 1st April, 2024.

Meetings and attendance during the year:

Members	Attendance at Committee Meeting held on	
	24 th April, 2023	24 th January, 2024
Shri Nirmal P. Bhogilal	Yes	Yes
Ms. Reena P. Bhagwati	Yes	Yes
Shri Pradip M. Patel	Yes	Yes

The Company Secretary acts as the Secretary of the Committee.

Nomination and Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management Personnel and their remuneration. The Remuneration Policy is available at the Company's website www.eimcoelecon.in.

Performance Evaluation of Independent Director

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Company has constituted the Stakeholders' Relationship Committee in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015.

The terms of reference of Stakeholders' Relationship Committee are as under:-

1. Resolving the grievances of the security holders of the listed entity, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.

2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The composition of the Stakeholders' Relationship Committee is as under:

Name of Members	Designation	Category
Shri Prashant C. Amin	Chairman	Non- Executive & Nominee Director
Smt. Manjuladevi P. Shroff	Member	Independent & Non-Executive Director
Shri Pradip M. Patel	Member	Non-Independent & Non-Executive Director

Meetings and attendance during the year:

Members	Attendance at Committee Meeting held on
	24 th April, 2023
Shri Prashant C. Amin	Yes
Smt. Manjuladevi P. Shroff	Yes
Shri Pradip M. Patel	Yes

The Company Secretary acts as the Secretary of the Committee.

Name and Designation of the Compliance Officer:-

The shareholders may address their communications/suggestions/grievances to:-

Shri Rikenkumar Dalwadi
Company Secretary & Compliance Officer

Eimco Elecon (India) Limited
 Anand-Sojitra Road,
 Vallabh Vidyanagar - 388 120.
 Dist. Anand, Gujarat
 Tel. No.:- +91 2692 230602 / 230502
 Fax No.: +91 2692 236506
 Email Address:- investor@eimcoelecon.in

Details of shareholders' complaints received, solved and pending

The below complaints were received from the SEBI SCORE by the Company during the Financial Year 2023-24.

Complaints pending as on 1 st April, 2023	0
Complaints received during the year	0
Complaints resolved during the year	0
Complaints pending as on 31 st March, 2024	0

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The CSR Committee has been constituted as per Section 135 of the Companies Act, 2013 and rules made thereunder.

The composition of the Corporate Social Responsibility Committee is as under:

Name of Members	Designation	Category
Shri Pradip M. Patel	Chairman	Non-Independent & Non-Executive Director
Shri Prashant C. Amin	Member	Non-Executive & Nominee Director
Smt. Manjuladevi P. Shroff	Member	Independent & Non-Executive Director

Meetings and attendance during the year:

Members	Attendance at Committee Meeting held on
	24 th April, 2023
Shri Pradip M. Patel	Yes
Shri Prashant C. Amin	Yes
Smt. Manjuladevi P. Shroff	Yes

The Company Secretary acts as the Secretary of the Committee.

7. REMUNERATION OF DIRECTORS

- i. The Non-Executive Directors/Independent Directors do not have any material pecuniary relationship or transactions with the Company.
- ii. The details of remuneration paid to the **Executive Directors** areas under: (Amount in ₹)

Name	Salary (₹)	Perquisites & Retirement benefits	Commission Payable	Total (₹)	Period of contract
Shri Prayasvin B. Patel, Executive Director	60,00,000	Perquisites & Retirement benefits as per terms of appointment and subject to overall ceiling of the Companies Act, 2013.	Nil	62,88,000	3 years from 9 th November, 2021
Shri Mukulnarayan Dwivedi	69,62,558		Nil	78,99,199	3 years from 10 th September, 2022

There is no payment towards Bonus, Stock Options, Pension or any other to above said Executive Directors.

The details of remuneration paid to **Non-Executive Directors** are as under: (Amount in ₹)

Name	Sitting Fees for 2023-24		Commission on Annual basis for the year 2023-24	Total (₹)
	Board Meeting	Committee Meeting		
Shri Pradip M. Patel	1,20,000	1,52,000	4,00,000	6,72,000
Shri Prashant C. Amin	1,20,000	12,000	4,00,000	5,32,000
Shri Venkatraman Srinivasan	90,000	1,02,000	4,00,000	5,92,000
Shri Nirmal P. Bhogilal	1,20,000	1,52,000	4,00,000	6,72,000
Smt. Manjuladevi P. Shroff	90,000	1,14,000	4,00,000	6,04,000
Ms. Reena P. Bhagwati	1,20,000	32,000	4,00,000	5,52,000

Note: The Commission related to Financial Year ended 31st March, 2024, will be paid after the Annual General Meeting to be held on 25th June, 2024.

8. GENERAL BODY MEETINGS

i. Annual General Meetings

The location, date and time of the last three Annual General Meetings held are as under:

Year	Venue	AGM	Date	Day	Time
2022-23	Meeting conducted through Video Conferencing ("VC") /Other Audio Visual Means ("OAVM")	AGM	28.06.2023	Wednesday	10:00 a.m.
2021-22		AGM	27.06.2022	Monday	03:00 p.m.
2020-21		AGM	05.08.2021	Thursday	04:00 p.m.

ii. The special resolution(s) passed by the Company are as under:

Year	Venue
2022-23	Appointment of Shri Venkatraman Srinivasan (DIN: 00246012) as Non-Executive Independent Director of the Company for a period of 5 consecutive years w.e.f. 24 th April, 2023
2021-22	Reappointment including remuneration of Shri Mukulnarayan Dwivedi (DIN: 08442155) as Executive Director of the Company for a period of 3 years w.e.f. 10 th September, 2022
2020-21	Reappointment of Ms. Reena P. Bhagwati (DIN:00096280) as Non-Executive Independent Director of the Company for a period of 5 consecutive years w.e.f. 9 th November, 2021
	Continuation of Shri Pradip M. Patel (DIN:00012138) as a Non-Executive Director of the Company after he attains the age of 75 years

iii. Postal Ballot

During the year under review, the Company had sought the approval of the members by way of postal ballot to transact the special business as set out in the postal ballot notice dated 24th January, 2024 only by voting through electronic means ('Remote e-Voting').

The resolutions as proposed in the said postal ballot notice have been passed by the members by remote e-voting process with requisite majority on the last date of e-voting i.e. on Tuesday, 5th March, 2024 and the summary of voting result is given below:

Sr. No.	Resolution	Votes in favour of the resolution (%)	Votes against the resolution (%)
1.	Appointment of Shri Jai S. Diwanji (DIN: 00910410) as an Independent Director. (Special Resolution)	99.82	0.18
2.	Material Modification in approved Related Party Transaction(s) with Emtici Marketing LLP. (Ordinary Resolution)	50.48	49.52

The voting results along with the scrutinizer's report were announced to BSE Limited at www.bseindia.com, National Stock Exchange of India Limited at www.nseindia.com where the equity shares of the Company are listed. Additionally, the results were displayed on the Company's website at www.eimcoelecon.in and the on the website of Link Intime India Private Limited at <https://instavote.linkintime.co.in/>.

The Company engaged the services of Link Intime India Private Limited for the purpose of providing e-voting facility to all the members to enable them to cast their vote electronically.

Shri J. J. Gandhi (FCS 3519 and CP No: 2515), a proprietor of M/s. J. J. Gandhi & Co., Company Secretary in Practice, Vadodara, was appointed as the scrutinizer to scrutinize the postal ballot process only by voting through electronic means (remote e-voting) in a fair and transparent manner.

iv. Procedure for Postal Ballot

The Postal Ballots were conducted in compliance with Section 108 and 110 of the Act, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations and in accordance with the guidelines prescribed by the Ministry of Corporate Affairs for holding General Meetings/ conducting Postal Ballot process, vide General Circulars Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 10/2022 dated December 28, 2022 and the latest one being General Circular No. 09/2023 dated September 25, 2023.

9. MEANS OF COMMUNICATION

i.	Half yearly report sent to each shareholders residence.	No
ii.	In which newspapers quarterly results were normally published.	Economic Times (English & Gujarati), Business Standard (English), Jaihind (Gujarati)
iii.	Any website where results or official news are displayed.	www.eimcoelecon.in
iv.	The presentation made to institutional investors or to the analysts.	No.
v.	Whether Management Discussion and Analysis is part of Annual Report or not	Yes, contained in the Board's Report

10. GENERAL SHAREHOLDER INFORMATION

- i. **AGM – date, time and venue** Tuesday, 25th June, 2024 at 10:30 a.m. IST through Video Conferencing (“VC”) /Other Audio Visual Means (“OAVM”). The place of the meeting deemed to be at Registered Office of the Company at Vallabh Vidyanagar – 388120, Dist. Anand, Gujarat.
- ii. **Financial Year** 1st April to 31st March
- iii. **Book Closure Date** Saturday, 15th June, 2024, to Tuesday, 25th June, 2024 (both days inclusive)
- iv. **Dividend Payment Date** Credit / Dispatch of Dividend Warrants / Demand Draft on/after Friday, 28th June, 2024 but within 30 days of AGM.

v. **Listing on Stock Exchanges**

The Company's shares are listed on the following stock exchanges:

BSE Limited, P. J. Towers, 25th Floor, Dalal Street, 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.

The listing fees for the year 2023-24 for the above Stock Exchanges have been paid in time and the shares of the Company have been neither de-listed nor suspended from trading during the year under review.

vi. **Stock Code**

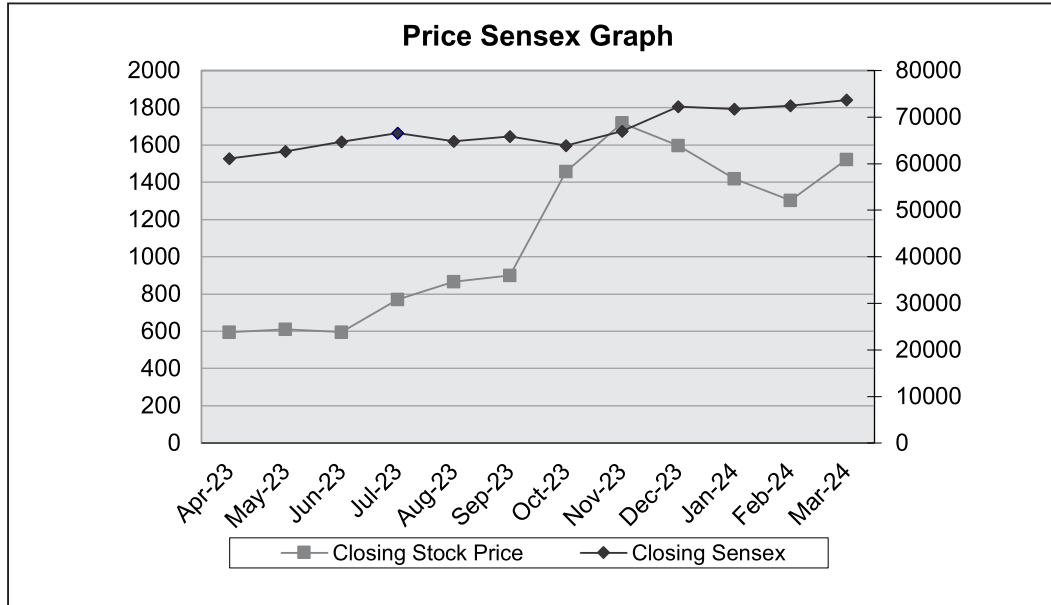
The Stock Code of the Company's shares are as follows:

Name of the Stock Exchange	Code No.
BSE Limited	523708
National Stock Exchange of India Limited	EIMCOELECO EQ
ISIN No. for Shares in Demat mode	INE158B01016

vii. Stock Market Price Data

Months 2023-24	BSE Limited (BSE)			BSE Index		National Stock Exchange of India Limited (NSE)		
	High (₹)	Low (₹)	Volume (Nos.)	High	Low	High (₹)	Low (₹)	Volume (Nos.)
Apr-23	630.05	364.40	1,44,856	61,209.46	58,793.08	629.00	355.00	13,10,619
May-23	698.00	550.50	87,398	63,036.12	61,002.17	699.90	557.15	7,37,904
Jun-23	680.00	566.10	38,994	64,768.58	62,359.14	679.20	570.00	2,18,003
Jul-23	814.60	591.00	95,020	67,619.17	64,836.16	813.20	590.00	3,57,005
Aug-23	873.00	710.00	23,663	66,658.12	64,723.63	873.00	708.00	1,17,271
Sep-23	977.00	810.05	19,968	67,927.23	64,818.37	956.45	816.00	1,39,812
Oct-23	1676.60	858.05	1,39,622	66,592.16	63,092.98	1680.00	864.90	11,52,602
Nov-23	1899.00	1356.80	45,626	67,069.89	63,550.46	1,897.80	1,355.25	3,87,557
Dec-23	1871.00	1591.25	28,117	72,484.34	67,149.07	1,871.00	1,580.00	1,26,287
Jan-24	1700.00	1370.15	20,159	73,427.59	70,001.60	1,700.00	1,332.10	1,13,112
Feb-24	1574.00	1280.00	18,758	73,413.93	70,809.84	1,570.00	1,268.50	1,18,313
Mar-24	1580.50	1301.20	14,360	74,215.17	71,674.42	1,580.00	1,295.00	2,22,445

viii. Index graph



ix. Registrar to an Issue and Share Transfer Agent (RTA)

The Company has appointed SEBI Registered Category-I Registrar and Share Transfer Agent (RTA) and such details are as under:

Link Intime India Private Limited

“Geetakunj”, 1, Bhakti Nagar Society, Behind ABS Tower,
Old Padra Road, Vadodara - 390 015.

Email : vadodara@linkintime.co.in

Tel No.: +91 0265-6136000

x. Share Transfer System

All share transmission, issue of duplicate shares, name deletion and such other related matters were processed and completed by Registrar & Transfer Agent within a stipulated period from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

xi. Shareholding Pattern as at 31st March, 2024

Category		No. of Shares held	% of Shareholding
A.	Promoters' holding		
1.	- Indian Promoters	2817645	48.85
	- Foreign Promoters	1447875	25.10
2.	Persons acting in concert	6275	0.10
	Sub-total (a)	4271795	74.05
B.	Non-Promoters' Holding		
3.	Institutions		
a.	Mutual Funds / UTI	0	0.00
b.	Financial Institutions/ Banks	105	0.00
	Sub-total (b)	105	0.00
4.	Non-Institutions		
a.	Bodies Corporate	202207	3.51
b.	Indian Public	1132603	19.63
c.	Non-Resident Indians	49095	0.85
d.	HUF	63634	1.10
e.	IEPF Authority	34819	0.60
f.	Any Other	540	0.01
	Sub-total (c)	1496485	25.95
	GRAND TOTAL (a+b+c)	5768385	100.00

Distribution of Shareholding as on 31st March, 2024

Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1-500	8131	95.5127	561411	9.73
501-1000	197	2.3141	150272	2.61
1001-2000	86	1.0102	121850	2.11
2001-3000	28	0.3289	70745	1.23
3001-4000	18	0.2114	63852	1.11
4001-5000	13	0.1527	61634	1.07
5001-10000	21	0.2467	167911	2.91
10001 & above	19	0.2232	4570710	79.24
Total	8513	100.00	5768385	100.00

xii. Dematerialization of shares and liquidity:-

As on 31st March, 2024, 57,15,834 shares have been dematerialized from representing 99.09% of total shares. The Company's shares are traded on BSE Limited, Mumbai and National Stock Exchange of India Limited, Mumbai.

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

xiii. Outstanding GDR/ADR/Warrants or convertible instruments : Nil

xiv. Commodity price risk or foreign exchange risk and hedging activities:

The raw materials of the Company are subject to market rate fluctuations including raw materials prices and foreign exchange volatility. The Company has in place a risk management framework for identification, monitoring and mitigation of above market rate fluctuations by way of hedging instruments as well as pass through of the impact to the Customers.

The exposure to currency risk is explained in detail in the notes to the financial statements.

xv. Plant Location : Eimco Elecon (India) Limited
Anand-Sojitra Road
Vallabh Vidyanagar - 388 120.
Dist. Anand, Gujarat

xvi. Address for correspondence: As above

xvii. CREDIT RATING :

CRISIL Ratings Limited, Credit Rating Agency, has rated the Bank facilities of the Company as under:

Total Bank Loan Facilities Rated	₹ 101.5 Crore (Enhanced from ₹ 46.5 Crore)
Long-Term Rating	CRISIL A-/Positive (Outlook revised from 'Stable'; Rating Reaffirmed)
Short-Term Rating	CRISIL A1 (Reaffirmed)

11. OTHER DISCLOSURES:

(i) Disclosure on materially significant related party transactions

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of the Company's business.

All Related Party Transactions are placed before the Audit Committee and the Board for approval. Prior approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature and in the ordinary course of the Company's business. Transactions with related parties are disclosed in the notes to accounts to the financial statements.

The Form No. AOC-2 envisages disclosure of material contracts or arrangement or transaction at arm's length basis is annexed with as **Annexure 'A'**.

(ii) Details of Non- Compliance by the Company

During last three years, there was neither non-compliance made by the Company nor any penalty nor strictures imposed on the Company by any Stock Exchange(s) or the SEBI or any other statutory authority, on any matter related to capital markets.

(iii) Vigil Mechanism/Whistle Blower Policy

The Company has a Whistle Blower Policy. The Company takes cognizance of complaints made and suggestions given, if any, by the employees and others. No employee of the Company has been denied access to the Audit Committee.

The Weblink for the Whistle Blower is https://eimcoelecon.in/wp-content/uploads/2023/01/The-Whistle-Blower-Policy_30012023.pdf.

(iv) Compliance with Mandatory And Adoption of the Non-Mandatory Requirements

During the year, the Company has fully complied with the mandatory and adopted non-mandatory requirements as stipulated in the Listing Regulations.

(v) Policy for Determining Material Subsidiaries

During the year under review, it is not applicable to the Company.

(vi) Policy on dealing with Related Party Transactions

The weblink for the Policy on dealing with Related Party Transactions is https://eimcoelecon.in/wp-content/uploads/2022/08/7_g_EIMCO-ELECON_RPT-Policy_31012022.pdf.

(vii) Commodity Price Risk and Commodity Hedging Activities

The raw materials of the Company are subject to market rate fluctuations including raw materials prices and foreign exchange volatility. The Company has in place a risk management framework for identification, monitoring and mitigation of above market rate fluctuations by way of hedging instruments as well as pass through of the impact to the Customers.

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

During the period under review, the Company has not raised any funds through preferential allotment or qualified institutions placement.

(ix) Certificate from Company Secretary in Practice

Shri J. J. Gandhi, J. J. Gandhi & Co., Company Secretary in Practice, has issued a certificate as required under the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The Certificate is annexed herewith as a part of the Report.

(x) Whether the Board has accepted any Recommendations of the Committees of the Board

During the year under review, the Board of Directors confirms that it has accepted all recommendations received from all its Committees.

(xi) Fees paid to Statutory Auditor

A total fee of ₹ 4.9 Lakhs was paid by the Company, on a consolidated basis, for all services to K C Mehta & Co LLP, Statutory Auditors and all entities in the network firm/ network entity of which they are part.

(xii) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details of number of complaints filed and disposed of during the year and pending as on 31st March, 2024 are given in the Boards' report.

(xiii) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount'

During the period under review, it is not applicable to the Company,

(xiv) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

During the period under review, it is not applicable to the Company.

12. Non-Compliance of any requirement of Corporate Governance Report

During the year, the Company has fully complied with the mandatory requirements of Corporate Governance Report.

13. The status on the compliance with the discretionary requirements as specified in Listing Regulations and Part E of Schedule II of Listing Regulations is as under

- **The Board:**

The Company has a Non-Executive Chairman. He is entitled to maintain an office at the Company's expense

and the Company reimburses the expenses incurred by the Chairman in the course of performance of his duties.

- **Shareholder Rights:**

Half-yearly and other quarterly financial results are published in newspapers. Quarterly results as approved by the Board are disseminated to BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com) and uploaded on the website of the Company at www.eimcoelecon.in.

- **Modified opinion(s) in audit report:**

The Financial Statements of the Company for the Financial Year ended on 31st March, 2024 are with unmodified audit opinion.

- **Reporting of Internal Auditor:**

The Internal Auditors of the Company are permanent invitees to the Audit Committee Meeting and regularly attend the meeting for reporting their findings of the internal audit to the Audit Committee Members.

14. The disclosures of the compliance with corporate governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the SEBI (LODR) Regulations, 2015.

Regulation No.	Particulars	Compliance Status
17	Board of Directors	Yes
17A	Maximum Number of Directorships	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related Party Transaction	Yes
24	Corporate Governance requirements with respect to subsidiary of the Company	NA
24A	Secretarial Audit & Secretarial Compliance Report	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management, Key Managerial Personnel, Directors and Promoters	Yes
26A	Vacancies in respect of certain Key Managerial Personnel	Yes
27	Other Corporate Governance requirements	Yes
46	Website	Yes

15. CODE OF CONDUCT

a) For prevention of Insider Trading

The Company has a comprehensive code of conduct for its management, staff and directors for prevention of insider trading. The code lays down guidelines and procedures to be followed and disclosures to be made while dealing with the shares of the Company and cautioning them on the consequences of non-compliances. The Company Secretary has been appointed as a Compliance Officer and is responsible for adherence to “Code for Prevention of Insider Trading”.

b) For Board of Directors (including Independent Directors) and Senior Management

The Board of Directors of the Company has laid down a “Code of Conduct” for all Board Members including Independent Directors and Members of Senior Management of the Company. The Code of Conduct is posted on the website of the Company www.eimcoelecon.in. The Board Members (including Independent Directors) and Senior Management Personnel have affirmed compliance with the “Code of Conduct” for the year ended on 31st March, 2024.

16. COMPLIANCE CERTIFICATE FROM PRACTICING COMPANY SECRETARY REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

Shri Chirag V. Rathod, M/s. Rathod & Company, Company Secretary in Practice, Anand, has issued a Certificate as require under the Listing Regulations. The Certificate is annexed herewith as a part of the report.

17. DISCLOSURE RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

Information as per Regulation 39(4) read with Schedule VI of the SEBI (LODR) Regulations, 2015 regarding 'Eimco Elecon (India) Limited - Unclaimed Suspense Account' of Equity Shares:-

	Number of Shareholders	Number of Equity Shares
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on 1 st April, 2023	1	50
Number of shareholders who approached the Company for transfer of shares from suspense account during the year.	NIL	NIL
Number of shareholders to whom shares were transferred from the suspense account during the year.	NIL	NIL
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on 31 st March, 2024	1	50
That the voting rights on this shares shall remain frozen till the rightful owner of such shares claims the shares	1	50

18. UNCLAIMED DIVIDEND

Section 125 of the Companies Act, 2013, mandates that companies transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). In accordance with following schedule, the dividend for the years mentioned as follows, if unclaimed within a period of seven years, will be transferred to IEPF.

Financial Year	Date of Declaration	Date of Payment	Unclaimed Amount (₹)	Date on which dividend will become part of IEPF
2016-2017	2 nd August, 2017	1 st September, 2017	3,14,405.00	7 th September, 2024
2017-2018	31 st July, 2018	3 rd August, 2018	1,90,825.00	5 th September, 2025
2018-2019	25 th July, 2019	29 th July, 2019	2,48,038.00	30 th August, 2026
2019-2020	10 th August, 2020	13 th August, 2020	1,91,929.00	16 th September, 2027
2020-2021	5 th August, 2021	12 th August, 2021	1,88,151.00	10 th September, 2028
2021-2022	27 th June, 2022	4 th July, 2022	1,00,349.00	2 nd August, 2029
2022-2023	28 th June, 2023	4 th July, 2023	1,35,300.00	3 rd August, 2030

Transfer of unclaimed equity shares to IEPF Authority:

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (Rules) and amendments thereof, the shares on which dividend has not been claimed for seven consecutive years or more, then such shares are required to be transferred to Investor Education and Protection Fund (IEPF) Authority after complying with the procedure laid down under the Rules.

During the Financial Year 2023-24, 25 numbers of shareholders holding 2,676 shares have been transferred to IEPF Authority. The Company in compliance with the aforesaid provisions and rules made thereunder, transferred total 34,819 number of equity shares of which dividend had remained unpaid or unclaimed for a period of seven consecutive years or more, to the demat account of IEPF Authority.

To know necessary guidelines and procedures for claiming the dividend and shares from IEPF Authority, please login into <http://www.iepf.gov.in/IEPFA/refund.html>.

19. AGREEMENTS RELATING TO THE COMPANY

During the year under review, there are no agreements with any party which impact the management or control of the Company or impose any restriction or create any liability upon the Company.

20. CEO/CFO CERTIFICATION

The Executive Director/ CEO and the Chief Financial Officer of the Company have certified to the Board in accordance with Regulation 17(8) read with Part B of Schedule II to the SEBI (LODR) Regulations, 2015 pertaining to CEO/CFO certification for the financial year ended on 31st March, 2024. The said certificate is part of the Annual Report.

21. INTERNAL CONTROLS

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory/regulatory compliances. The Company's business processes are on Oracle –ERP and has a strong monitoring and reporting process resulting in financial discipline and accountability.

22. DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards as notified by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

For and on behalf of the Board of Directors,

Place : Vallabh Vidyanagar

Date : 18th April, 2024

Mukulnarayan Dwivedi

Executive Director

DIN : 08442155

Prayasvin B. Patel

Executive Director

DIN : 00037394

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

In terms of the requirement of the Schedule V of the SEBI (LODR) Regulations, 2015, this is to confirm that all the members of the Board and Senior Management Personnel have affirmed Compliance with the Code of Conduct for the year ended on 31st March, 2024.

Place : Vallabh Vidyanagar

Date : 18th April, 2024

Mukulnarayan Dwivedi

Executive Director

DIN : 08442155

Prayasvin B. Patel

Executive Director

DIN : 00037394

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Eimco Elecon (India) Limited
Anand Sojitra Road,
Anand. - 388 001.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Eimco Elecon (India) Limited having CIN L29199GJ1974PLC002574 and having registered office at Anand-Sojitra Road, Anand - 388 001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Pradip Manubhai Patel	00012138	11/01/1996
2.	Prayasvin Patel	00037394	09/11/2016
3.	Reena Bhagwati Pravin	00096280	09/11/2016
4.	Venkatraman Srinivasan	00246012	24/04/2023
5.	Manjula Devi Shroff	00297159	02/02/2015
6.	Prashant Chandrakant Amin	01056652	25/10/2007
7.	Mukulnarayan Dwivedi	08442155	10/09/2019
8.	Nirmal Pratap Bhogilal	00173168	cessation on 31/03/2024

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **J. J. Gandhi & Co.**

Place : Vadodara
Date : 18th April, 2024
UDIN : F003519F000075855

J. J. Gandhi
Company Secretary
CP No.: 2515

**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

*(Pursuant to Regulation 34(3) and Schedule V Para E of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,
The Members of
Eimco Elecon (India) Limited
Anand Sojitra Road,
Anand. - 388 001.

I, Chirag Rathod, Proprietor, Rathod & Co., Practicing Company Secretary, have examined the compliance of conditions of Corporate Governance by Eimco Elecon (India) Limited ('the Company') for the year ended on March 31, 2024, as stipulated in Chapter IV and referred in Regulation 15 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of management. My examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

For, **Rathod & Co.**
Practicing Company Secretaries

Chirag Vinodbhai Rathod
Membership No. 54460
C.O.P. No. 20186
Peer Review Certificate No.: 1762/2022

Place : Anand
Date : 18th April, 2024
UDIN : A054460F000146301

CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE

To
The Board of Directors
 Eimco Elecon (India) Limited
 Vallabh Vidyanagar – 388 120.

We, the undersigned, in our respective capacities as Executive Director and Chief Financial Officer of Eimco Elecon (India) Limited (“the Company”) to the best of our knowledge and belief, certify that:

- (a) We have reviewed financial statements and cash flow statement for the financial year ended on 31st March, 2024 and that to the best of my knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) 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.
- (b) to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended on 31st March, 2024 which are fraudulent, illegal or violative of the Company’s Code of Conduct or ethics policy.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we confirm that no deficiencies in the design or operation of such internal controls of which we are aware were noticed during the year.
- (d) We have indicated to the Auditors and the Audit Committee:-
 - (i) there are no significant changes in internal control over financial reporting during the financial year ended on 31st March, 2024;
 - (ii) there are no significant changes in accounting policies during the financial year ended on 31st March, 2024; and
 - (iii) there are no instances of significant fraud of which the Management have become aware and the involvement, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

For Eimco Elecon (India) Limited

Place : Vallabh Vidyanagar
 Date : 18th April, 2024

Mukulnarayan Dwivedi
Executive Director
 DIN : 08442155

Vishal C. Begwani
Chief Financial Officer

ANNEXURE – ‘E’ TO BOARD’S REPORT- ITEM NO. 14

Information pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sr. No.	Name of Directors and KMPs	Designation	% increase in Remuneration in FY 2023-24	Ratio of Remuneration to Median Remuneration of Employees
A	Directors			
1	Shri Mukulnarayan Dwivedi	Executive Director	47.65	8.38
2	Shri Prayasvin B. Patel	Executive Director	-	7.56
3	Shri Pradip M. Patel	Chairman	19.57	0.81
4	Shri Prashant C. Amin	Nominee Director	23.15	0.64
5	Shri Nirmal P. Bhogilal	Independent Director	36.59	0.81
6	Shri Venkatraman Srinivasan	Independent Director	#	#
7	Smt. Majuladevi Shroff	Independent Director	8.24	0.73
8	Ms. Reena P. Bhagwati	Independent Director	37.31	0.66
B	Key Management Personnel			
1	Shri Vishal C. Begwani	Chief Financial Officer	13.59	5.53
2	Shri Rikenkumar Dalwadi	Company Secretary	33.99	1.35

Shri Venkatraman Srinivasan was appointed as Independent Director w.e.f. 24th April, 2023. Hence, all such matters; the current year’s remuneration is not comparable.

Notes:

- There were 124 permanent employees on the rolls of Company as on 31st March, 2024.
- The median remuneration of employees of the Company during the Financial Year was ₹ 8.31 Lakhs. There was an increase of 13.85 % in the median remuneration of the employees.
- There was an increase of 17.11 % in average percentage salaries of employees (other than the managerial personnel) in the last Financial Year i.e. 2023-24 whereas the increase in the key managerial personnel remuneration for the same Financial Year was 21.37%.
- The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees of the Company.

For and on behalf of the Board of Directors,

Place : Vallabh Vidyanagar
Date : 18th April, 2024

Mukulnarayan Dwivedi
Executive Director
DIN : 08442155

Prayasvin B. Patel
Executive Director
DIN : 00037394

ANNEXURE – ‘F’ TO BOARD’S REPORT - ITEM NO. 15

Particulars required to be disclosed in the report of Board of Directors pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014.

[A] Conservation of energy :

Energy conservation and efficiency measures were taken into various areas in the plant as under:-

1. Continuous efforts towards energy conservation by adopting new technology with more focused improvement and process, through improved maintenance practices like time-based maintenance and analysis through short interval control etc.
2. The power saving by use of LED Lights in workshop as well as office lighting of the Company.
3. Kept vigil/watch to ensure switching off electrical fittings in lunch time to avoid idle usage of AC, computer and light.
4. Wash rooms in all offices and workshop provided with light control with motion sensor.

[B] Technology absorption :

Research & Development (R & D)

The Company has a Government recognized R & D Department which is manned with well qualified personnel and equipped with Computer Aided Design System.

1. **Benefit derived as a result of the above R & D:**
R&D endeavour to make Indigenous design and development of new product for continuous cutting technology with advance engineering technique and also continuously upgrading the underground coal and metal mining portfolio with automated and mechanized solution for the future. Hence saved the country a sizable amount of foreign exchange, besides availability of machines at shorter notice.
2. **Future plan of action:**
Continuous measures are being taken to introduce new product range for ease of continuous production and manoeuvrability of man material in the underground mines.
3. **Expenditure:**

Capital	-	₹ 252.06 Lakhs
Recurring	-	₹ 342.43 Lakhs
Total R & D expenditure	-	₹ 594.49 Lakhs
Percentage of total turnover	-	2.61%

Technology absorption, adaptation & innovation:

1. Efforts, in brief, made towards technology absorption, adaptation & innovation:
The technologies so far imported by the Company have been absorbed and adapted/ innovated to make them suitable to the Indian conditions by the active involvement of the R & D Department.
2. Benefits derived as a result of above efforts:
Absorption, adaptation & innovation of technology transfer then mould according to Indian mining condition and develop fesible, technologically advanced affordable product and so indigenization.
3. Technology imported:
The Company had signed Consultancy Agreement in 2017 with Bormex Engineering, Criciuma SC Brazil and in 2022 with Anbor Engennharia Equipamentos for Continuous Miner Package.
The Company had also signed Collaboration Agreement in 2018 with CZM USA Corp. for Piling Rigs.
Technology for the aforesaid are being absorbed.

[C] Foreign exchange earning & outgo:

Particulars	31 st March, 2024	31 st March, 2023
Earnings	₹ 339.19 Lakhs	₹ 47.00 Lakhs
Outgo	₹ 3000.00 Lakhs	₹ 2125.11 Lakhs

For and on behalf of the Board of Directors,

Mukulnarayan Dwivedi
Executive Director
DIN : 08442155

Prayasvin B. Patel
Executive Director
DIN : 00037394

Place : Vallabh Vidyanagar
Date : 18th April, 2024



ANNEXURE - 'G' TO THE BOARD'S REPORT - ITEM NO. 16(B)

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2024

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

To,
The Members of
Eimco Elecon (India) Limited
Vallabh Vidyanagar.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Eimco Elecon (India) Limited (CIN- L29199GJ1974PLC002574)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB). - As reported to us there were no FDI, ODI and ECB transactions in the Company during the Audit period.

5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
 - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not Applicable to the Company during the Audit Period.
 - D. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not Applicable to the Company during the Audit Period.
 - E. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not Applicable to the Company during the Audit Period.
 - F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993. - The Company has appointed SEBI Registered Category I Registrar & Share Transfer Agent.
 - G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021. - Not Applicable to the Company during the Audit Period.
 - H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. - Not Applicable to the Company during the Audit Period.
6. Further, as per representation of management letter, considering its nature of business, process and location, the following Acts are specifically applicable to the Company. There are adequate systems and processes in the Company to monitor and ensure compliance.
 1. The Environment (Protection) Act, 1986
 2. The Air (Prevention and Control of Pollution) Act, 1981
 3. The Water (Prevention and Control of Pollution) Act, 1974

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

- (i) The Mandatory Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder.

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

We further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Due Notice were served on all Directors entitled to receive notice in accordance with section 173(3) of the Companies Act, 2013 for holding Board and Committee meetings. Agenda and detail notes on Agenda were sent to the Directors, 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.

We further report that as per the minutes of the meetings duly recorded and signed by the Chairman, the decisions were carried at meetings without any dissent.

Based on the Compliance mechanism established by the Company and on the basis of certificates placed before the Board and taken on record by the Directors at their meetings, we 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.

For **J. J. Gandhi & Co.**

Practising Company Secretaries

(J. J. Gandhi)

Proprietor

FCS No. 3519 and CP No. 2515

P R No. 1174/2021

Place : Vadodara

Date : 18th April, 2024

UDIN : F003519F000178089

This report is to be read with our letter of even date which is annexed as **Annexure** and forms an integral part of this report.



ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members of
Eimco Elecon (India) Limited
Vallabh Vidyanagar - 388 120.

Our report of even date is to be read along with this letter.

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. We have followed the audit practices and the 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 the practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. The Compliance of applicable financial laws like direct and indirect laws have not been reviewed in this Audit since the same have been subject to review by Statutory Financial Audit and Other designated professionals.
4. Wherever required, we 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. Our 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. J. Gandhi & Co.**
Practising Company Secretaries

(J. J. Gandhi)
Proprietor
FCS No. 3519 and CP No. 2515
P R No. 1174/2021

Place : Vadodara
Date : 18th April, 2024
UDIN : F003519F000178089

INDEPENDENT AUDITORS' REPORT

To,
The Members of **Eimco Elecon (India) Limited**
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Eimco Elecon (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss including Other Comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policy information and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE MATTER
<p><u>Existence and valuation of investments</u> <i>(Refer to note 6 & 10 to the standalone financial statements)</i> Total investments of ₹ 17,971.02 Lakhs represent 39.90% of total assets of the company. These investments mainly consist of current and non-current investments in mutual funds. Valuation of the investments is done at fair market value at each balance sheet date. Thus, being very high proportion of total assets of the company as well as high amount of gain or loss credited / debited to statement of profit and loss account, made us conclude that existence and valuation of investments are a key audit matter of our audit.</p>	<p>Our audit procedures to test the existence of the investments mainly consist of verifying quantity / unit balances and market values with demat statement / statements of respective assets management companies as well as verifying the relevant recording of gain or loss in value of respective investments at each balance sheet date.</p> <p>Conclusion: Based on the procedures described we consider the disclosure of investments value as current as well as non-current and recording of gain or loss on the same as acceptable.</p>



KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE MATTER
<p><u>Litigations and claims</u> (Refer to note 38 to the standalone financial statements) The cases are pending with tax authorities like Income Tax and Excise.</p> <p>In normal course of business, financial exposures may arise from pending proceedings and from litigation and claims. Whether a claim needs to be recognised as liability or disclosed as contingent liability in the standalone financial statements is dependent on number of significant assumptions and judgments. The amounts involved are potentially significant and determining the amount, if any, to be recognised or disclosed in the standalone financial statements, is inherently subjective.</p> <p>We considered the above area as a key audit matter due to associated uncertainty related to the outcome of these matters and application of material judgement in interpretation of law.</p>	<p>Our audit procedures, inter alia, included the following:</p> <ul style="list-style-type: none"> • Evaluation of management’s judgment of tax risks, estimates of tax exposures, other claims and contingencies. Past and current experience with the tax authorities and management’s response on the subject matter were used to assess the appropriateness of management’s best estimate of the most likely outcome of each uncertain contingent liability. • Understanding the current status of the tax assessments & other litigations and discussing selected matters with the entity’s management. • Assessing the entity’s assumptions and estimates in respect of claims, included in the contingent liabilities disclosed in the standalone financial statements. • Assessment of the probability of negative result of litigation and the reliability of estimates of related obligations. <p>Conclusion: Based on procedure described above, we did not identify any material exceptions relating to management’s assertions, and treatment, presentation and disclosure of the subject matter in the standalone financial statements.</p>

Information Other than the Standalone Financial Statements and Auditors’ Report Thereon

The Company’s Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Board’s Report including Annexures to Board’s Report, Management Discussion and Analysis, Corporate Governance Report and Shareholder’s Information but does not include the standalone financial statements and our auditors’ report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

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

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

When we read the information, which we will obtained after the date of auditors’ report and 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 necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under

section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matters 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 "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 standalone financial statements comply with the Ind AS prescribed under Section 133 of the Act;
 - e. on the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act;
 - f. with respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
 - g. with respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
 - h. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 38 to the standalone financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts as at March 31, 2024 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 (which are material either individually or in the aggregate) 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 or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures 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) as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Note 17 to the standalone financial statements
- (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination carried out, which included test checks, we report that the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, the company has implemented edit log feature in phased manner, spanning from April 25, 2023 to February 15, 2024 at individual Table/Activity level for all relevant transactions recorded in the software. This edit log feature has remained continuously operational throughout the year from the various dates from which the same got activated/enabled but not from beginning of the year. Further, during the course of our audit, we did not come across any instances of audit trail feature being tampered with.

For K C Mehta & Co LLP
Chartered Accountants
 (Firm’s Registration No. 106237W/W100829)

Neela R. Shah
Partner
 Membership No. 045027
 UDIN:- 24045027BKCXHJ7206

Place : Vallabh Vidyanagar
 Date : 18th April, 2024

‘ANNEXURE – A’ TO THE INDEPENDENT AUDITORS’ REPORT

The annexure referred to in our Independent Auditors’ Report to the members of Eimco Elecon (India) Limited (“the Company”) on the standalone financial statements for the year ended March 31, 2024, we report that:

- i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (“PPE”) including Investment Property and Right of use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Company has a regular program of physical verification of PPE which, in our opinion is reasonable. The PPE which were to be covered as per the said program have been physically verified by the management during the year. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title/ lease deeds of all the immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
 - d) The Company has not revalued its PPE (including Right of Use Assets) or intangible assets or both during the year, and hence reporting under clause 3(i)(d) of the Order is not applicable to the Company.
 - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (a) In our opinion and according to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion the coverage and procedure of such verification by the management is appropriate and discrepancies noticed were not in excess of 10% or more in aggregate for each class of inventory and same have been properly dealt with in the books of account.
 - (b) According to the information and explanations given to us, 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 and the quarterly returns or statements filed by the company with such banks are in agreement with the books of account of the Company. The Company has yet not submitted return for the quarter ended March 2024 as the due date is April 20, 2024.
- iii. During the year, the Company has not made investment in, provided loans and advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties during the year. Hence reporting under clause 3 (iii) of the order is not applicable;
- iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of the Act. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 186 of the Act in respect of the Investments made.
- v. According to the information and explanations given to us, the Company has not accepted or is not holding any deposit or amounts which are deemed to be deposits during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the order of the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- vii. (a) 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 been regular in depositing with appropriate authorities undisputed statutory dues, including Goods and Services Tax, provident fund, employee’s state insurance, income-tax, sales tax,

service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it. Further, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employee's state insurance, income tax, value added tax, cess and any other statutory dues were in arrears, as at March 31, 2024, for a period of more than six months from the date they become payable.

- (b) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no disputed statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes except the following:

Name of the Statute (Nature of disputed dues)	Amount (₹ in Lakhs)	Period to which the amount Relates	Forum where pending
Central Excise Act, 1944 (Excise Duty & Service Tax)	629.18	From 2006-07 to 2013-14	CESTAT, Ahmedabad

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) 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 defaulted in repayment of loans or other borrowing or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loan at the beginning of the year, and hence reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the records of the company, we report that the company has not taken any funds from any entity or person, and hence reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its associate company, and hence reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year, and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally), and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge and according to information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year;
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report;
- (c) According to the information and explanations given to us, the Company has not received any whistle-blower complaints during the year.
- xii. The Company is not a Nidhi company, and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the standalone financial statements as required by the applicable Ind AS.

- xiv. (a) In our opinion and according to the information and explanations given to us, 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 period under audit.
- xv. According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year.
- 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 company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. There are no unspent amounts towards Corporate Social Responsibility (CSR) as per section 135 of the Act read with rules made thereunder. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order are not applicable for the year.
- xxi. According to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order 2020 (CARO 2020) reports of the companies included in the consolidated financial statements.

For **K C Mehta & Co LLP**
Chartered Accountants
(Firm's Registration No. 106237W/W100829)

Neela R. Shah
Partner
Membership No. 045027
UDIN:- 24045027BKCXHJ7206

Place : Vallabh Vidyanagar
Date : 18th April, 2024

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **Eimco Elecon (India) Limited** on the standalone financial statements of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to standalone financial statements of **Eimco Elecon (India) Limited** (“the Company”) as of March 31, 2024, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note 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 Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls with reference to standalone Financial Statement and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

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

**Inherent Limitations of Internal Financial Controls with reference to standalone financial statements**

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **K C Mehta & Co LLP**
Chartered Accountants
(Firm's Registration No. 106237W/W100829)

Place : Vallabh Vidyanagar
Date : 18th April, 2024

Neela R. Shah
Partner
Membership No. 045027
UDIN:- 24045027BKCXHJ7206

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2024

(₹ in Lakhs)

Particulars	Note No.	31-March-2024	31-March-2023
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	3	5,843.07	6,170.47
(b) Capital work-in-progress	3	8.43	52.27
(c) Investment property	4	264.09	279.03
(d) Intangible assets	5	1,232.39	1,159.05
(e) Financial assets			
(i) Investments	6	17,306.76	16,456.81
(ii) Other financial assets	7	132.32	160.31
(f) Other non-current assets	8	24.92	-
Total Non-current Assets		24,811.98	24,277.94
II. Current assets			
(a) Inventories	9	8,578.57	7,878.73
(b) Financial assets			
(i) Investments	10	664.26	-
(ii) Trade receivables	11	9,377.75	5,283.14
(iii) Cash and cash equivalents	12	788.36	265.67
(iv) Bank balances other than (iii) above	12	13.61	15.30
(v) Other financial assets	13	54.98	68.34
(c) Current tax assets (net)	14	38.53	145.65
(d) Other current assets	15	708.55	756.39
Total Current Assets		20,224.61	14,413.22
Total Assets		45,036.59	38,691.16
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	576.84	576.84
(b) Other equity	17	38,040.22	34,309.89
Total Equity		38,617.06	34,886.73

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2024 (Conti.)

(₹ in Lakhs)

Particulars	Note No.	31-March-2024	31-March-2023
LIABILITIES			
(I) Non - current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	18	13.33	23.52
(b) Provisions	19	8.02	13.68
(c) Deferred tax liabilities (net)	33	527.56	508.09
Total Non-Current Liabilities		548.91	545.29
(II) Current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities	18	27.51	40.19
(ii) Trade payables	20		
(a) Total outstanding dues of micro enterprises and small enterprises		592.65	377.18
(b) Total outstanding dues of trade payables other than micro enterprises and small enterprises		2,126.33	1,455.41
(iii) Other financial liabilities	21	57.09	94.14
(b) Other current liabilities	22	2,769.29	1,025.66
(c) Provisions	23	297.75	266.56
Total Current Liabilities		5,870.62	3,259.14
Total Equity and Liabilities		45,036.59	38,691.16

The accompanying notes are an integral part of the standalone financial statements.

1-47

As per our report of even date attached

For **K C MEHTA & CO LLP**

Chartered Accountants

(Firm's Registration No. : 106237W/W100829)

Neela R. Shah

Partner

Membership No. 045027

For and on behalf of the Board of Directors

Eimco Elecon (India) Limited

CIN : L29199GJ1974PLC002574

Mukulnarayan Dwivedi

Executive Director

DIN : 08442155

Prayasvin B. Patel

Executive Director

DIN : 00037394

Vishal C. Begwani

Chief Financial Officer

Rikenkumar Dalwadi

Company Secretary

Place : Vallabh Vidyanagar

Date : 18th April, 2024

Place : Vallabh Vidyanagar

Date : 18th April, 2024

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2024

(₹ in Lakhs)

Particulars	Note No.	31-March-2024	31-March-2023
Revenue from operations	24	22,750.28	17,271.11
Other Income	25	1,842.19	1,047.20
Total income (I)		24,592.47	18,318.31
Expenses			
Cost materials consumed	26	8,669.17	4,688.31
Purchase of Stock in Trade	27	3,037.82	3,124.98
Changes in inventories of finished goods and work-in-progress	28	(122.94)	1,187.05
Manufacturing expense	29	722.68	664.92
Employee benefits expense	30	1,826.35	1,525.82
Finance costs	31	94.34	50.11
Depreciation and amortisation expense	3,4&5	746.46	780.18
Compensation to Distributors		2,471.18	1,707.75
Other expenses	32	2,152.47	1,940.57
Total Expenses (II)		19,597.53	15,669.69
Profit before tax (III) = (I-II)		4,994.94	2,648.62
Tax Expense			
Current tax	33	921.00	727.50
Adjustment of tax relating to earlier periods		5.78	(11.56)
Deferred tax		27.00	(154.07)
Total tax expense (IV)		953.78	561.87
Profit for the year (V) = (III-IV)		4,041.16	2,086.75

STANDALONE STATEMENT OF PROFIT AND LOSS (Contd...)

(₹ in Lakhs)

Particulars	Note No.	31-March-2024	31-March-2023
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on defined benefit plans		(29.95)	(25.64)
Income tax effect of above		7.54	6.45
Other comprehensive income (net of tax) for the year (VI)		(22.41)	(19.19)
Total comprehensive income VII = (V + VI)		4,018.75	2,067.56
Earning per equity share			
Earnings per equity shares (₹):	42		
Face Value per equity share (₹): 10/-			
Basic		70.06	36.18
Diluted		70.06	36.18

The accompanying notes are an integral part of the standalone financial statements.

1-47

As per our report of even date attached

For **K C MEHTA & CO LLP**

Chartered Accountants

(Firm's Registration No. : 106237W/W100829)

For and on behalf of the Board of Directors

Eimco Elecon (India) Limited

CIN : L29199GJ1974PLC002574

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Chief Financial Officer

Rikenkumar Dalwadi

Company Secretary

Place : Vallabh Vidyanagar

Date : 18th April, 2024

Place : Vallabh Vidyanagar

Date : 18th April, 2024

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2024

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before Tax	4,994.94	2,648.62
<i>Adjustments for:</i>		
Depreciation and Amortisation of Property, Plant and Equipments, Intangible Assets and Investment Property	746.46	780.18
Finance Cost	94.34	50.11
Gain on sale / fair valuation of Investment (Net)	(1,413.59)	(466.58)
Loss on Sale of Property, Plant and Equipments (Net)	22.22	5.05
Interest Income	(215.49)	(290.82)
Dividend Income	(110.11)	(161.21)
Provision for Doubtful receivable/sundry balances written off /written back	(52.07)	43.43
Unrealised foreign exchange (gain)/loss (Net)	(2.62)	(0.07)
Operating Profit before changes in working capital	4,064.08	2,608.71
Working capital adjustment or change in working capital		
Trade and other receivables	(4,042.54)	(1,414.26)
Inventories	(699.84)	(785.03)
Other financial assets	41.35	(139.89)
Other current and non-current assets	22.91	213.05
Trade payables	889.01	104.95
Other payables	1,739.21	469.12
Other financial liabilities	(35.36)	38.14
Cash generated from operations	1,978.82	1,094.79
Net Direct taxes (paid)/refunded	819.62	428.38
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	1,159.20	666.41
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	16.61	11.40
Proceeds from sale/(Purchase)of investments (Net)	(100.61)	(647.60)
Interest income	215.49	290.82
Dividend income	110.11	161.21
Payments for purchase of property plant and equipment and CWIP	(469.86)	(283.80)
Bank balance not considered as cash and cash equivalent (Net)	1.69	2.22
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES (B)	(226.57)	(465.75)

**CASH FLOW STATEMENT (Contd...)**

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
CASH FLOW FROM FINANCING ACTIVITIES:		
Finance Cost	(90.15)	(42.55)
Interest on lease liability	(4.19)	(7.56)
Principal Payment of lease liability	(25.49)	(46.05)
Dividend Paid	(290.11)	(146.43)
NET CASH (USED IN) /GENERATED FROM FINANCING ACTIVITIES (C)	(409.94)	(242.59)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	522.69	(41.93)
Cash and cash equivalents at beginning of the year (Refer note 12)	265.67	307.60
Cash and cash equivalents at the end of the period (Refer note 12)	788.36	265.67
Balances with banks		
In Cash Credit Account	569.63	204.65
In Current Accounts	218.73	61.02
	788.36	265.67

Note:

The above Cash Flow Statement has been prepared under "Indirect Method" as set out in Indian Accounting Standards (Ind AS 7) - Statement of Cash Flows.

As per our report of even date attached

For **K C MEHTA & CO LLP**

Chartered Accountants

(Firm's Registration No. : 106237W/W100829)

For and on behalf of the Board of Directors

Eimco Elecon (India) Limited

CIN : L29199GJ1974PLC002574

Neela R. Shah

Partner

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Executive Director

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Prayasvin B. Patel

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Vishal C. Begwani

Chief Financial Officer

Rikenkumar Dalwadi

Company Secretary

Place : Vallabh Vidyanagar

Date : 18th April, 2024

Place : Vallabh Vidyanagar

Date : 18th April, 2024

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024
A. Equity Share Capital

(₹ in Lakhs)

Particulars	Amount
Balance as at 1-April-2022	576.84
Additions/(Reductions)	-
Balance as at 31-March-2023	576.84
Additions/(Reductions)	-
Balance as at 31-March-2024	576.84

B. Other Equity

(₹ in Lakhs)

Particulars	Other equity				Total Equity
	Capital Reserve	General Reserve	Security premium	Retained Earnings	
Balance as at 1-April- 2022	2.91	22,443.45	753.83	9,186.34	32,386.53
Profit for the year	-	-	-	2,086.75	2,086.75
Other comprehensive income for the year *	-	-	-	(19.19)	(19.19)
Total Comprehensive income for the year	-	-	-	2,067.56	2,067.56
Dividend	-	-	-	(144.21)	(144.21)
Balance as at 31-March-2023	2.91	22,443.45	753.83	11,109.70	34,309.89
Profit for the year	-	-	-	4,041.16	4,041.16
Other comprehensive income for the year *	-	-	-	(22.41)	(22.41)
Total Comprehensive income for the year	-	-	-	4,018.75	4,018.75
Dividend	-	-	-	(288.42)	(288.42)
Balance as at 31-March-2024	2.91	22,443.45	753.83	14,840.03	38,040.22

* Remeasurement of Defined Benefit Plans

The accompanying notes form an integral part of the standalone financial statements.

1-47

As per our report of even date attached

 For **K C MEHTA & CO LLP**
Chartered Accountants

(Firm's Registration No. : 106237W/W100829)

For and on behalf of the Board of Directors

Eimco Elecon (India) Limited

CIN : L29199GJ1974PLC002574

Neela R. Shah
Partner

Membership No. 045027

Mukulnarayan Dwivedi
Executive Director

DIN : 08442155

Prayasvin B. Patel
Executive Director

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Vishal C. Begwani
Chief Financial Officer
Rikenkumar Dalwadi
Company Secretary

Place : Vallabh Vidyanagar

 Date : 18th April, 2024

Place : Vallabh Vidyanagar

 Date : 18th April, 2024

NOTES TO STANDALONE FINANCIAL STATEMENTS

1. Corporate information

Eimco Elecon (India) Limited ('the Company') is a public limited company domiciled and incorporated in India having its registered office at Anand Sojitra Road, Vallabh Vidyanagar, Dist. Anand, Gujarat, India, Gujarat - 388 120. The Company's shares are listed on the Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE') in India. The Company is engaged in the business of Manufacturing of Equipment for Mining and Construction sector. The standalone financial statements are approved by the Company's Board of directors on 18-April-2024.

1.1 Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act as amended from time to time.

1.2 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company's Financial Statements for the year ended 31st March, 2024 comprises of the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement, Statement of Changes in Equity and the Notes to Financial Statements.

All values are rounded off to the nearest two decimal lakh except otherwise stated.

The Company has consistently applied accounting policies to all periods presented in these financial statements.

2. Material Accounting Policy information

2.1 Basis of measurement

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

- Certain financial assets - measured at fair value (refer accounting policy regarding financial instruments),
- Net defined benefit (asset) / liability – measured at fair value of plan assets less present value of defined benefit obligations.

2.2 Operating cycle and classification of current and non-current:

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, the same has been assumed to have duration of twelve months. Accordingly, all the assets and liabilities are classified as current and 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.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)**2.3 Fair value Measurement**

The Company measures financial instruments at fair value at each balance sheet date.

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

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

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

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

External values are involved for valuation of significant assets, such as properties and involvement of external valuers is decided upon the Management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, Management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

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

2(a) Property, plant and equipment (PPE)

Items of property, plant and equipment are measured at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost of PPE comprises of its purchase price or its construction cost (net of applicable tax credit, trade discount and rebate if any), Exchange rate variations attributable to the assets and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management. Direct costs are capitalized until the asset is ready for use and includes borrowing cost capitalised in accordance with the Company's accounting policy.

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and impairment losses, if any. Freehold land is not depreciated.

The cost of the assets not ready for intended use at the balance sheet date is disclosed under 'Capital work-in-progress'.

Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the net sales/disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

Company has availed fair value as deemed cost on the date of transition to Ind AS for Buildings & Plant & Machinery and for other assets as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para 7AA of Ind AS 101.

Depreciation

Depreciation is provided using written down value method over the estimated useful life of PPE prescribed under Part C of Schedule II to the Companies Act 2013 is as under.

Asset	Useful life
Buildings	3-60 years
Furniture & Fixture	10 years
Vehicles	8 years
Office Equipment	5 years

Depreciation is provided using straight line method over the estimated useful life of PPE prescribed under Part C of Schedule II to the Companies Act 2013 is as under.

Asset	Useful life
Road (Included in Building)	10 years
Plant & Equipment	15 years
Computers (Included in Office Equipment)	3-6 years
Electrical fittings	10 years
Jigs	3-15 years

The management believes that these estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used. Useful life based on technical assessment is as under :

Asset	Year
Plant and Machinery	15-25 Years

Depreciation methods, useful lives and residual values are reviewed on an annual basis, and if necessary, changes in estimates are accounted for prospectively.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding ₹ 5,000/- which are fully depreciated at the time of addition.

Right-of-use assets (Leasehold Land) including Leasehold improvements are depreciated on a straight-line basis over the lease term or useful life of the underlying asset, whichever is less.

2(b) Investment properties

Investment properties comprise of land and buildings that are held for long term lease rental yields and/ or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on Investment property is provided on the written down value basis over useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act 2013 as below:

Asset	Useful life
Investment Properties	25-40 years

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes.

Derecognition:

An investment property is derecognized on disposal or on permanent withdrawal from use or when no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the asset (calculated as the

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

2(c) Intangible assets

Intangible assets with finite useful life acquired separately are recognized only if it is probable that future economic benefits that are attributable to the assets will flow to the enterprise and the cost of assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Amortisation is recognised on a straight-line basis over their estimated useful lives from the date they are available for use. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The management estimates the useful life of assets as under.

Asset	Year
Technical Knowhow	7 years
Software	7 years

Subsequent expenditures are capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Intangible assets are derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognised in the Statement of Profit and Loss when the asset is derecognized.

The Company has elected to continue with the carrying value of its Intangible assets recognised as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para 7AA of Ind AS 101.

2(d) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventories comprises of cost of purchase (net of recoverable taxes), cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Raw materials and other supplies held for use in 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 realizable value.

Inventory cost formula is as under :

Inventories	Basis of Valuation and Cost Formula
Raw material	Landed cost at weighted average basis
Raw Material in Transit	At Cost on basic price
Work in Progress	Raw material, labour and appropriate proportion of manufacturing expenses and overheads as per stage of completion at weighted average.
Finished Goods (including Finished goods in transit)	Raw material, labour and appropriate proportion of manufacturing expenses and overheads at weighted average.

2(e) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2(f) Impairment

- **Impairment of financial assets**

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

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 credit - impaired. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. The Company follows a 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Company is not required to track changes in credit risk. Rather, it recognised impairment loss allowance based on lifetime Expected credit losses ("ECL") together with appropriate Management's estimate of credit loss at each reporting date, from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the group of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. 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 shortfall (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 customer 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.

- **Impairment of non-financial assets**

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price or value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2(g) 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.

2(h) Financial Instruments

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

Financial Assets

a) Initial recognition and measurement

All financial assets, except investment in Associates, Perpetual /Corporate Bonds and trade receivables, are recognised at fair value, through profit and loss account. In the case of financial assets not recorded at fair value through profit or loss, are recognised at transaction costs that are attributable to the acquisition of the financial assets.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- (a) Financial assets at amortised cost

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

- (b) Financial assets at fair value through other comprehensive income (FVTOCI)
- (c) Financial assets at fair value through profit or loss (FVTPL)
- (d) Equity instruments measured at fair value through profit or loss (FVTPL)

Financial assets at amortised cost

A financial assets is measured at the amortised cost if:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if:

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

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Financial assets at fair value through profit or loss

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has other investments at FVTPL.

After initial measurement, such financial assets are subsequently measured at fair value with all changes recognised in the Statement of profit and loss.

Equity Instruments

All equity instruments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

Derecognition of financial assets

A financial asset is derecognised when:

- (a) the contractual rights to the cash flows from the financial asset expire,
or
- (b) The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through'

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred assets and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

2(i) Revenue and Income recognition:

➤ Revenue from Contracts with Customers

Revenues from sale of goods or services are recognised upon transfer of control of the goods or services to the customer in an amount that reflects the consideration which the company expects to receive in exchange for those goods or services.

Revenue is measured at the transaction price of the consideration received or receivable duly adjusted for variable consideration & customer's right to return the goods and the same represents amounts receivable for goods and services provided in the normal course of business. Revenue also excludes taxes collected from customers. Any retrospective revision in prices is accounted for in the year of such revision.

Revenue is recognised at a point in time on accrual basis as per the terms of the contract, when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

When sales discount and rebate arrangements result in variable consideration, appropriate estimates are made and estimated variable consideration is recognised as a deduction from revenue at the point of sale (to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not be required). The Company typically uses the expected value method for estimating variable consideration, reflecting that such contracts have similar characteristics and a range of possible outcomes.

The contract asset or a contract liability is recognised when either party to a contract has performed, depending on the relationship between the entity's performance and the customer's payment. When the company has a present unconditional rights to consideration, it is recognised separately as a receivable.

➤ Export Incentives

Export incentives (Duty Drawback Scheme benefits) are accrued in the year when the right to receive the same is established in respect of exports made and are accounted to the extent there is no significant uncertainty about the measurability and ultimate realization/ utilization of such benefits/ duty credit.

➤ Interest Income

Interest on investments is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

➤ Dividend Income

Dividend income is recognised when the right to receive the same is established.

➤ Other Income

Other income is recognised on accrual basis except when realization of such income is uncertain.

2(j) Employee benefits

➤ Short Term Employee Benefits

Short term employee benefits such as salaries, wages, short term compensated absences, bonus, ex-gratia,

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the service are recognised as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employee to the company.

➤ **Post-Employment Benefits**

• **Defined contribution plan**

A defined contribution plan is a post-employment benefit plan under which 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 statement of profit and loss in the periods during which the related services are rendered by employees.

• **Defined benefit plan**

Defined benefit plans is a post-employment benefit plan other than a defined contribution plan comprising of gratuity is recognized based on the present value of defined benefit obligation, which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted as current employee cost.

Net interest on the net defined liability is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognised the Statement of Profit and Loss

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

• **Other long term employment benefits:**

The employee's long term compensated absences are Company's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognise the obligation on the net basis.

2(k) Leases

The Company assesses whether a contract contains a lease, at the inception of the 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.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of Property, Plant and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value and is not intended for sublease. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is premeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is premeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments have been classified as financing activities.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Operating lease

Rental income arising from operating leases is recognised on a straight-line basis over the terms of relevant lease except the case where incremental lease reflects inflationary effect and rental income is accounted in such case by actual rent for the year.

2(l) Foreign Currency Transactions

Transactions in foreign currencies are initially recorded at the spot exchange rate on the date the transaction.

Monetary items denominated in foreign currencies outstanding at the end of the reporting period, are translated at the rates of exchange prevailing at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign currencies at period end exchange rate are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Functional and Presentation Currency

The standalone financial statements are presented in Indian Rupees (INR), which is also the Company's presentation and functional currency.

2(m) Income taxes

Income tax expense represents the sum of the current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent items recognised directly in equity or in OCI

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)**Current tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realized.

2(n) Provisions, Contingent Liabilities & Contingent Assets**Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

Contingent Liabilities

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless the possibility of an outflow of resources embodying economic benefit is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

Warranty provisions

Product warranty expenses are estimated by the management on the basis of technical evaluation and past experience. Provision is made for estimated liability in respect of warranty cost in the period of recognition of revenue.

Contingent Assets

Contingent assets are not recognised in financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the assets and related income are recognised in the period in which the change occurs.

2(o) Statement of cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

2(p) Earnings per share (EPS)

Basic EPS is calculated by dividing the profit / (loss) for the year attributable to ordinary equity holders by the weighted average number of equity shares outstanding during the year, adjusted for bonus elements in equity shares issued during the year.

Diluted EPS is calculated by dividing the profit / (loss) attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. The company did not have any potential dilutive securities in the years presented.

2.4. Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty

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

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

- Impairment of Assets.
- Allowance of Expected credit Loss
- Identification of performance obligation in revenue recognition

Fair value measurement

In measuring the fair value of certain assets and liabilities for financial reporting purpose, the Company uses market observable data to the extent available. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)**Defined benefit obligation (DBO)**

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Allowance for uncollectible trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Individual trade receivables are written off when management deems them not to be collectible.

Warranty Provision

The company generally offers 12-18 months warranties for the product sold. Management estimates the related provision for future warranty claims based on historical warranty claim information as well as recent trends that might suggest that past cost information may differ from future claims. The assumptions made in relation to the current period are consistent with those in the prior periods. Factors that could impact the estimated claim information include the success of the company's productivity and quality initiatives.

Property, plant and equipment

Refer Note 2.2 (f) for the estimated useful life of Property, plant and equipment. The carrying value of Property, plant and equipment has been disclosed in Note 3 .

Litigations

From time to time, the Company is subject to legal proceedings and the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgment is made when evaluating, among other factors, the probability of unfavourable outcome and the liability to make a reasonable estimate of the amount of potential loss. Provision for litigations are reviewed at the end of each accounting period and revisions made for the changes in facts and circumstances.

2.5. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

Note 3 : Property, Plant and Equipment (₹ in Lakhs)

Particulars	Land Freehold	Buildings, Road etc.	Plant & Equipment	Furniture & Fixture	Vehicles	Office Equipment	Electrical Fittings	Jigs	ROU Asset	Total
Cost										
As at 1-April-2022	3,113.25	2,006.98	3,220.98	359.56	371.58	1,384.17	177.09	148.53	1,056.24	11,838.38
Additions	-	57.63	6.92	-	-	82.34	-	-	70.04	216.93
Adjustments	-	-	73.54	-	28.11	5.77	-	78.09	70.02	255.53
As at 31-March-2023	3,113.25	2,064.61	3,154.36	359.56	343.47	1,460.74	177.09	70.44	1,056.26	11,799.78
Additions	-	46.93	20.02	-	4.09	105.06	-	-	2.59	178.69
Adjustments	-	-	701.42	40.27	14.06	99.63	-	-	71.70	927.08
As at 31-March-2024	3,113.25	2,111.54	2,472.96	319.29	333.50	1,466.17	177.09	70.44	987.15	11,051.39
Accumulated Depreciation										
As at 1-April-2022	-	1,096.27	2,184.21	301.33	300.72	1,075.61	128.48	129.57	129.75	5,345.94
Depreciation for the year	-	144.25	134.77	15.08	18.45	157.40	6.65	2.60	43.25	522.45
Adjustments	-	-	67.36	-	23.41	5.67	-	72.62	70.02	239.08
As at 31-March-2023	-	1,240.52	2,251.62	316.41	295.76	1,227.34	135.13	59.55	102.98	5,629.31
Depreciation for the year	-	149.08	119.99	11.17	12.14	123.07	6.65	2.47	42.69	467.26
Deductions	-	-	666.41	40.22	10.64	99.28	-	-	71.70	888.25
As at 31-March-2024	-	1,389.60	1,705.20	287.36	297.26	1,251.13	141.78	62.02	73.97	5,208.32
Net Block										
As at 31-March-2024	3,113.25	721.94	767.76	319.93	36.24	215.04	35.31	8.42	913.18	5,843.07
As at 31-March-2023	3,113.25	824.09	902.74	43.15	47.71	233.40	41.96	10.89	953.28	6,170.47

For details of PPE given as security against borrowings. Refer Note: 12

Ageing Schedule of Capital Work-in-progress

Year ended on	Less than 1 year	1 to 2 year	2 to 3 year	More than 3 year	Total
As at 31-March-2024					
Project in progress	8.43	-	-	-	8.43
Project temporarily suspended	-	-	-	-	-
As at 31-March-2023					
Project in progress	52.27	-	-	-	52.27
Project temporarily suspended	-	-	-	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

Note 4 : Investment Property

Particulars	(₹ in Lakhs)
Cost	
As at 1-April-2022	524.12
Additions	-
Deductions	-
As at 31-March-2023	524.12
Additions	-
Deductions	-
As at 31-March-2024	524.12
Accumulated depreciation	
As at 1-April-2022	229.21
Depreciation for the year	15.88
Deductions	-
As at 31-March-2023	245.09
Depreciation for the year	14.94
Deductions	-
As at 31-March-2024	260.03
Carrying amount	
As at 31-March-2024	264.09
As at 31-March-2023	279.03
Fair Value	
As at 31-March-2024	1,064.40
As at 31-March-2023	1,043.74

Information regarding income and expenditure of Investment Properties

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Rental income derived from Investment Properties	54.83	49.65
Direct operating expenses (including repairs and maintenance) generating rental income	5.42	19.33
Direct operating expenses (including repairs and maintenance) that did not generate rental income	6.27	-
Profit / (Loss) arising from investment properties before depreciation and indirect expenses	43.14	30.32
Less : Depreciation	14.94	15.88
Profit/(Loss) arising from investment properties before Indirect Expenses	28.20	14.44

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

The fair values of the properties are based on market valuations performed by a Registered Valuer, as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017, by applying valuation model recommended by the International Valuation Standards Committee at the year end.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

The valuation of investment property as at 31st March, 2024 and 31st March, 2023 is done based on market feedback on values of similar properties and hence considered under "Level 2" of fair value measurement.

Note 5 : Intangible Assets

(₹ in Lakhs)

Particulars	Software license	Technical Knowhow	Total
Cost			
As at 1-April-2022	391.25	1,923.60	2,314.85
Additions	41.50	83.62	125.12
Deductions	-	-	-
As at 31-March-2023	432.75	2,007.22	2,439.97
Additions		337.60	337.60
Deductions	-	-	-
As at 31-March-2024	432.75	2,344.82	2,777.57
Accumulated Amortisation			
As at 1-April-2022	373.44	665.63	1,039.07
Amortisation for the year	7.35	234.50	241.85
Deductions	-	-	-
As at 31-March-2023	380.79	900.13	1,280.92
Amortisation for the year	12.20	252.06	264.26
Deductions	-	-	-
As at 31-March-2024	392.99	1,152.19	1,545.18
Net Block			
As at 31-March-2024	39.76	1,192.63	1,232.39
As at 31-March-2023	51.96	1,107.09	1,159.05

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

Note 6 : Investments

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Non- Current Invesments		
I. In Equity Shares		
A. In Associate (At Cost)		
Unquoted:	-	51.00
Nil Equity Shares (31-March-2023: 5,10,000 equity shares) of ₹ 10/- each of Eimco Elecon Electrical Limited		
Total	-	51.00
B. In Others:		
Investment designated at fair value through profit or loss		
Quoted		
7000 equity Shares(31-March-2023:7000 equity shares) of ₹ 10/- each of Aditya Birla Capital Limited	12.28	10.75
Total	12.28	10.75
Unquoted		
238 equity Shares (31-March-2023:238 equity shares) of ₹ 10/- each of GOL Offshore Limited	0.02	0.02
500 equity Shares (31-March-2023:500 equity shares) of ₹ 5/- each of Charotar Gas Sahakari Mandali Limited	0.03	0.03
	0.05	0.05
Total	12.33	10.80
II. In Debentures or bonds:		
Investment at fair value through profit or loss		
Quoted		
Corporate Bonds and Debentures -Quoted	840.37	772.77
REIT and InvIT funds -Quoted	750.28	597.40
Total	1,590.65	1,370.17
III. In Mutual Funds		
Investment at fair value through profit or loss		
Unquoted		
Mutual Fund	13,542.50	12,356.75
Total	13,542.50	12,356.75
IV. In Bonds		
Amortised at cost		
Corporate Bonds -Quoted	2,161.28	2,668.09
Total	2,161.28	2,668.09
Fair value	2,198.81	2,501.10
Total Non-current Investments	17,306.76	16,456.81

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)
Note 6 : Investments (Contd...)

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Aggregate value of quoted investments	3,764.23	4,049.03
Aggregate market value of quoted investments	3,801.76	3,882.04
Aggregate value of unquoted investments	13,542.53	12,407.78

Note 7: Other Financial Assets

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Unsecured, considered good		
Security Deposits	132.32	160.31
Total	132.32	160.31

Note 8: Other non current Assets

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Capital advance	23.15	
Prepaid Expenses	1.77	-
Total	24.92	-

Note 9: Inventories

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Raw materials (including in transit ₹ 11.11 Lakhs P. Y. Nil)	5,805.18	5,228.28
Work-in-progress	2,707.09	1,315.23
Finished goods (including in transit ₹ 43.55 Lakhs P.Y ₹ 670.09 Lakhs)	66.30	1,335.22
Total	8,578.57	7,878.73

For details of inventories given as security against borrowings. Refer Note: 12

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

Note 10: Investments		(₹ in Lakhs)	
Particulars	31-March-2024	31-March-2023	
Mutual Fund -Unquoted	664.26	-	
Total Current Investments	664.26	-	

Note 11: Trade Receivables		(₹ in Lakhs)	
Particulars	31-March-2024	31-March-2023	
Secured, considered good	-	390.46	
Unsecured, considered good	9,437.21	5,012.33	
Less : Allowance for expected credit loss *	(59.46)	(119.65)	
Total Trade and other receivables	9,377.75	5,283.14	

*Allowance for Expected Credit Loss is calculated based on the ECL model as described under Ind AS 109. Refer Note 2(f) and Note 36(b) for the Company's accounting policy and basis of calculating ECL allowance.

Movement in allowance for expected credit loss :		(₹ in Lakhs)	
Particulars	31-March-2024	31-March-2023	
Opening balance	119.65	90.64	
Changes in allowance for expected credit loss:			
Provision/(reversal) of allowance of expected credit loss	(60.19)	29.01	
Balance at the end of the year	59.46	119.65	

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)
Note 11: Trade Receivables (Contd...)

The ageing schedule of trade receivables as of the reporting date is as follow:

(₹ in Lakhs)

Trade Payable	Not Due	Less than 6 Months	6 Months to 1 Year	1year to 2 year	2 year to 3 year	More than 3 Year	Total
31-March-2024							
Undisputed							
Considered good	5,896.99	3,429.11	5.81	69.26	36.04	-	9437.21
Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Provision for expected credit loss	-	-	-	-	-	-	(59.46)
Total Trade Receivable	5,896.99	3,429.11	5.81	69.26	36.04	-	9,377.75
31-March-2023							
Undisputed							
Considered good	4,354.03	866.01	58.08	56.95	34.06	33.66	5402.79
Which have significant increase in credit risk	-	-	-	-	-	-	-
Provision for expected credit loss	-	-	-	-	-	-	-
Disputed							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Provision for expected credit loss	-	-	-	-	-	-	(119.65)
Total Trade Receivable	4,354.03	866.01	58.08	56.95	34.06	33.66	5,283.14

For details of receivables given as security against borrowings. Refer Note: 12

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

Note 12: Cash and cash equivalents

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
(a) Balance with Bank		
in Current accounts	218.73	61.02
In Cash credit accounts	569.63	204.65
Total cash and cash equivalents	788.36	265.67
(b) Other bank balance		
In earmarked accounts		
Unpaid dividend accounts *	13.61	15.30
Total	13.61	15.30

* These balances represents unclaimed dividend amount which is earmarked for payment of dividend and can not be used for any other purpose.

Securities

Note: The company has availed fund and non-fund based credit facilities from banks which are secured by first charge on the stock and book debts and all other current assets (in case of SBI Bank and Axis Bank) and a second charge on factory land, building, plant and machinery and all other fixed assets in case of SBI.

Note 13: Other Financial Assets

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Interest Receivable	54.98	68.34
	54.98	68.34

Note 14: Current Tax Assets (Net)

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Advance Tax	1,138.60	871.05
Less: Provision for income tax	1,100.07	725.40
Total	38.53	145.65

Note 15: Other Current Assets

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Advance to suppliers	303.58	328.24
Balances with Government. Authorities (including amount paid under protest)	330.32	377.38
Prepaid current employee benefits (Gratuity) (refer note no. 40)	55.20	20.94
Prepaid expenses	19.45	29.83
Total	708.55	756.39

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)
Note 16 : Equity Share Capital

(₹ in Lakhs)

Particulars	31-March-2024		31-March- 2023	
	No. of shares	Amount	No. of shares	Amount
Authorised Share Capital				
10,000,000 Equity Shares of ₹10/- each		1,000.00		1,000.00
		1,000.00		1,000.00
Issued, subscribed and fully paid up				
Issued 57,68,386 (P.Y. 57,68,386) Equity shares of ₹ 10 each		576.84		576.84
Subscribed and Paid up 57,68,385 (P.Y. 57,68,385) Equity Shares of ₹ 10/- each		576.84		576.84
Issued but not subscribed 1 Equity Share of ₹10/-		-		-
Total		576.84		576.84

Note 16.1.: Reconciliation of shares outstanding at the beginning and at the end of the Reporting period

(₹ in Lakhs)

Particulars	31-March-2024		31-March-2023	
	No. of shares	Amount	No. of shares	Amount
Equity Shares				
At the beginning of the year	57,68,385	576.84	57,68,385	576.84
Issued/Reduction, if any during the year	-	-	-	-
Outstanding at the end of the year	57,68,385	576.84	57,68,385	576.84

Note 16.2.: Rights preferences and restrictions attached to Equity Shares:

The Company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 16.3.: Number of Shares held by each shareholder holding more than 5% Shares in the Compan

(₹ in Lakhs)

Name of the Shareholder	31-March-2024		31-March-2023	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Equity Shares of ₹ 10/- each fully paid up (Previous year ₹ 10/- each fully paid up)				
Aakaish Investments Private Limited	14,36,858	24.91	14,36,858	24.91
Elecon Engineering Company Limited	9,58,426	16.62	9,58,426	16.62
K B Investments Private Ltd.	3,88,515	6.74	3,88,515	6.74
Tamrock Great Britain Holding Ltd.	14,47,875	25.10	14,47,875	25.10

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

Note 16.4.: Shares held by the Promotor and Promotor Group in the Company

Name	No of Share on 31.03.24	% of Total Shares	% Change during the year	No of Share on 01.04.23	% of Total Shares
Aakaash Investments Private Limited	14,36,858	24.91	-	14,36,858	24.91
Elecon Engineering Company Limited	9,58,426	16.62	-	9,58,426	16.62
K B Investments Private Limited	3,88,515	6.74	-	3,88,515	6.74
Power Build Private Limited	16,050	0.28	-	16,050	0.28
Prayasvin Bhanubhai Patel	17,796	0.31	-	17,796	0.31
Taruna P. Patel	5,000	0.09	-	5,000	0.09
Prashant C. Amin	1,275	0.02	-	1,275	0.02
Tamrock Great Britain Holding Ltd.	14,47,875	25.10	-	14,47,875	25.10

Note 17: Other Equity

Note 17.1 Reserves & Surplus

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
1. Capital reserve	2.91	2.91
2. Securities premium	753.83	753.83
3. General reserve	22,443.45	22,443.45
4. Retained earnings		
Balance as per last Balance Sheet	11,109.70	9,186.34
Add: profit for the year	4,041.16	2,086.75
Add / (Less): Re-measurement gains / (losses) on defined benefit plans (net of tax) accounted through Other comprehensive income	(22.41)	(19.19)
	15,128.45	11,253.91
Less: Appropriations:		
Final Dividend on equity shares	288.42	144.21
Balance carried forward	14,840.03	11,109.70
Total	38,040.22	34,309.89

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)
Note 17.2 Dividend distribution made and proposed

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Cash dividends on Equity shares declared and paid		
Final dividend for year ended 31-March-2023 ₹ 5/- per share 31-March-2022 ₹ 2.5/- per share)	288.42	144.21
	288.42	144.21
Proposed dividends on Equity shares		
Final cash dividend proposed for the year ended 31-March-2024 ₹ 5/- per share (31-March-2023: ₹ 5/- per share)	288.42	288.42
Total	288.42	288.42

Proposed dividend on equity shares is subject to approval at the annual general meeting and is not recognised as a liability as at 31-March-2024

Note 17.3 Description of reserves
1. Capital reserve

Capital reserve is of capital nature. Capital reserves are not freely available to distribute among share holders as the dividend.

2. Securities premium

Security 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.

3. General reserve

General Reserve represents appropriation of retained earning and are available for distribution to shareholders.

4. Retained earnings

Retained earning represents surplus/accumulated earning of the Company and is available for distribution to shareholders.

Note 18: Lease Liabilities

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Non-current		
Lease liability	13.33	23.52
Current		
Lease liability	27.51	40.19
Total	40.84	63.71

Note 19: Provisions

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Provision for employee benefits (Refer Note 30)	8.02	13.68
Total	8.02	13.68

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

Note 20: Trade payables

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Current		
Trade payables		
Due to micro and small enterprises	592.65	377.18
Others	2,126.33	1,455.41
Total	2,718.98	1,832.59

Details of Dues to Micro, Small and Medium Enterprises as defined under MSMED Act 2006

(₹ in Lakhs)

Particulars as at	31-March-2024	31-March-2023
Principal amount remaining unpaid to any supplier as at the end of accounting year	592.65	377.18
Interest due thereon	-	-
Amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
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 period) but without adding the interest specified under the MSMED Act 2006.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting period	-	-
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.	-	-

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Company and which qualify under the definition of Micro and Small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the Financial statement as at 31-March-2024 based on the information received and available with the Company. On the basis of such information, no interest is payable to any micro and small enterprises.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

The ageing schedule of trade payable as of the reporting date is as follow:

(₹ in Lakhs)

Trade Payable	Not Due	Outstanding				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 Year	
31-March-2024						
MSME	592.65	-	-	-	-	592.65
Others	1,942.96	183.37	-	-	-	2126.33
Disputed Dues -MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
31-March-2023						
MSME	377.18	-	-	-	-	377.18
Others	1,393.01	62.40	-	-	-	1455.41
Disputed Dues -MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-

Note 21: Other Financial liabilities

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Non Current		
Security Deposits	43.48	43.48
Unpaid dividend	13.61	15.30
Payable in respect of capital goods	-	35.36
Total	57.09	94.14

Note 22: Other Current liabilities

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Advance from Customers	2,316.33	496.55
Statutory Liabilities	452.96	529.11
Total	2,769.29	1,025.66

Note 23: Provisions

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Provision for employee benefits (Refer Note 30)	9.84	17.27
Provision for warranty	287.91	249.29
Total	297.75	266.56

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

Note 23: Provisions (Contd...)

Provision for warranty

A provision for warranties relates mainly to standard warranty on sale of the product manufactured by the Company. The provision is based on technical evaluation, historical warranty data and a weighting of all possible outcomes by their associated probabilities.

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
As on 01st April	249.29	103.20
Addition during the year	287.91	249.29
Utilization during the year	301.00	230.62
Short / (Excess) during the year	51.71	127.42
AS on 31st March	287.91	249.29

Note 24: Revenue from operations

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Sale of Products		
Domestic Sales	22,175.50	17,053.37
Export Sales	339.19	46.79
	22,514.69	17,100.16
Other operating revenue		
Sale of Scrap	152.81	102.63
Windmill Electricity Income	77.31	66.91
Export incentives	5.47	1.41
	235.59	170.95
Total	22,750.28	17,271.11

Note 25: Other income

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Other Income		
Interest Income	215.49	290.82
Dividend Income	110.11	161.21
Rent Income	65.43	58.22
Profit on sale of investments (Net)	132.58	0.07
Gain on fair valuation of investments	1,281.01	466.51
Insurance claim	4.89	41.88
Exchange Fluctuations (Net)	32.68	28.49
Total	1,842.19	1,047.20

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)
Note 26: Cost of materials consumed

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Sale of Products		
Inventory at the beginning of the year	5,228.28	3,256.20
Add : Purchases	9,246.07	6,660.39
	14,474.35	9,916.59
Less : Inventory at the end of the year	5,805.18	5,228.28
Total	8,669.17	4,688.31

Note 27: Purchases of stock-in-trade

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Purchase of traded goods	3,037.82	3,124.98
Total	3,037.82	3,124.98

Note 28: Changes in inventories of finished goods and work-in-progress

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Inventory at the beginning of the year		
Work-in-progress	1,315.23	1,881.32
Finished Goods	1,335.22	1,956.18
	2,650.45	3,837.50
Inventory at the end of the year		
Work-in-progress	2,707.09	1,315.23
Finished Goods	66.30	1,335.22
	2,773.39	2,650.45
Total	(122.94)	1,187.05

Note 29: Manufacturing Expense

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Stores, Tools and Spares Consumed	268.71	252.30
Power and Fuel	111.28	90.27
Labour charges	342.69	322.35
Total	722.68	664.92

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

Note 30: Employee benefits expense

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Salaries and wages	1,702.37	1,395.66
Contribution to Provident and other Funds	83.30	85.42
Employees' Welfare Expense	40.68	44.74
Total	1,826.35	1,525.82

Note 31: Finance costs

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Interest Expense	0.95	8.36
Interest on lease liability	4.19	7.56
Other Finance Costs	89.20	34.19
Total	94.34	50.11

Note 32: Other expenses

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Lease Rentals	77.33	27.69
Computer Software Charges	248.55	196.46
Rates & Taxes	144.55	125.19
Repairs and Maintenance :		
- Building	95.05	20.66
- Machinery	273.90	272.46
- Others	60.59	121.16
Insurance	64.85	48.20
Travelling Expense	119.58	98.06
Sitting Fees	12.24	11.42
Commission to Non-Executive Directors	24.00	18.00
Packing, Forwarding & Distribution Expenses (Net of Recoveries)	220.59	172.14
Warranty Claim Replacement (Refer Note No.23)	287.91	249.29
Bad Debts Written Off	8.12	32.56
Provision for Doubtful Debt	(60.19)	10.87
Advertisements & Sales Promotion Expenses	57.99	22.12
Payment to Auditors (Refer Note Below)	7.60	6.13
Expenditure on Corporate Social Responsibility (Refer Note No.43)	21.40	4.63
Donations	-	6.00
Professional Consultancy Fees	106.76	112.29
General Administrative Charges	359.43	380.19
Loss on sale of asset (Net)	22.22	5.05
Total	2,152.47	1,940.57

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

Note 32: Other expenses (Contd...)

Payment to Auditors (Net of tax)

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Statutory Auditors		
Audit fees	3.70	3.35
For other service (Limited review, certification etc.) *	1.28	1.27
Reimbursement of expenses	0.53	0.51
Tax auditor		
Tax audit fees	0.75	-
Cost auditor		
Cost audit fees	0.55	0.45
For other service (certification etc.)	0.05	-
Secretarial Auditor		
Secretarial Audit fees	0.50	0.50
For other service (certification etc.)	0.24	0.05
Total	7.60	6.13

* Previous year amount includes ₹17,000 related to previous auditor

Note 33: Tax Expense

The major component of income tax expense for the years ended 31-March-2024 and 31-March-2023 are :

(₹ in Lakhs)

Particulars (For the Year Ended)	31-March-2024	31-March-2023
Statement of Profit and Loss		
Current tax		
Current tax	921.00	727.50
Adjustment of tax relating to earlier years	5.78	(11.56)
Deferred tax		
Relating to origination and reversal of temporary difference	27.00	(154.07)

Pursuant to the introduction of Section 115BAA of the Income Tax Act, 1961 vide Taxation Laws (Amendment) Act, 2019 the Company had an option to pay corporate income tax at the rate of 22% plus applicable surcharge and cess (lower rate) as against the earlier rate of 25% plus applicable surcharge and cess, subject to certain conditions. Considering all the provisions under said section 115BAA of the Income Tax Act, 1961, during the year ended March 31, 2024 the Company had decided to avail the option of lower rate with effect from the financial year 2023-24. Accordingly, the Company has recognized provision for tax expenses during the year and measured its net Deferred Tax liabilities on the basis of the provision prescribed in the said section.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

Note 33: Tax Expense (Contd...)

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended 31-March-2024 and 31-March-2023.

(₹ in Lakhs)

Particulars (For the Year Ended)	31-March-2024	31-March-2023
Accounting profit before tax from continuing operations	4,994.94	2,648.62
Tax @ 25.17% (31 March 2023- 29.12%)	1,257.23	771.28
Adjustment for		
Exempted income	(25.47)	(51.93)
Expense disallowed/(Allowed)	(27.16)	7.58
Standard deduction on rent income	(4.51)	(4.77)
Depreciation, capital gain on assets	(10.09)	(13.28)
Tax rate difference of income on investments	(242.00)	(135.45)
Taxes of prior years	5.78	(11.56)
At the effective income tax rate of 19.09% (31-March, 2023 : 21.22%)	953.78	561.87

B) Deferred tax liability (Net)

(₹ in Lakhs)

Incompliance of Ind AS 12 on "Income Taxes", the item wise details of Deferred Tax Liabilities (net) are as under :

Particulars	As on 1-April-2023	Provided during the year in statement of Profit and Loss	Provided during the year in OCI	Balance as on 31-March-2024
Deferred Tax Liability				
Related to Property Plant and Equipments	543.19	(85.20)	-	457.99
Fair valuation of investments	73.53	98.40	-	171.93
Lease liabilities	1.78	(0.17)	-	1.61
Total Deferred Tax Liability	618.50	13.03	-	631.53
Deferred Tax Asset				
43B disallowances (Net)	31.52	(5.27)	(7.54)	44.33
Provision for Expected Credit Loss	34.21	19.25	-	14.96
Others	44.68	-	-	44.68
	110.41	13.98	(7.54)	103.97
Net deferred tax	508.09	27.00	(7.54)	527.56

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)
Note 33: Tax Expense (Contd...)
B) Deferred tax

(₹ in Lakhs)

Particulars	As on	Provided during the	Provided	Balance
	1-April-2023	year in statement of Profit and Loss	during the year in OCI	as on 31-March-2024
Deferred Tax Liability				
Related to Property Plant and Equipments	610.17	(66.98)	-	543.19
Fair valuation of investments	153.09	(79.56)	-	73.53
Lease liabilities	2.63	(0.85)	-	1.78
Total Deferred Tax Liability	765.89	(147.39)	-	618.50
Deferred Tax Asset				
43B disallowances (Net)	26.21	1.14	(6.45)	31.52
Provision for Expected Credit Loss	26.39	(7.82)	-	34.21
Others	44.68	-	-	44.68
	97.28	(6.68)	(6.45)	110.41
Net deferred tax	668.61	(154.07)	(6.45)	508.09

Note 34: Fair value disclosures for financial assets and financial liabilities

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values: (₹ in Lakhs)

Particulars	Carrying amount		Fair value	
	31-March-2024	31-March-2023	31-March-2024	31-March-2023
Financial assets				
Investments measured at fair value through profit or loss	15,809.74	13,737.72	15,809.74	13,737.72
Investments measured at amortised cost	2,161.28	2,719.09	2,198.81	2,552.10
Total	17,971.02	16,456.81	18,008.55	16,289.82

The management assessed that the fair values of cash and cash equivalents, other bank balance, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

Note 35: Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

Quantitative disclosures of fair value measurement hierarchy for financial assets as at 31-March-2024 and 31-March- 2023:

(₹ in Lakhs)

Particulars	Fair value measurement using						
	FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at 31-March-2024							
Investments	15,809.74	-	2161.28	17971.02	3764.21	14,206.76	-
Trade receivables (Note 11)	-	-	9377.75	9377.75	-	-	-
Cash and cash equivalents (Note 12)	-	-	788.36	788.36	-	-	-
Other bank balance (Note 12)	-	-	13.61	13.61	-	-	-
Other financial assets (Note 7 & 13)	-	-	187.30	187.3	-	-	-
Total Financial Assets	15,809.74	-	12528.30	28338.04	3764.21	14206.76	-
Trade payable (Note No. 20)	-	-	2718.98	2,718.98	-	-	-
Other financial liabilities (Note No. 21)	-	-	57.09	57.09	-	-	-
Lease liabilities (Note No. 18)	-	-	40.84	40.84	-	-	-
Total Financial liabilities	-	-	2816.91	2,816.91	-	-	-

(₹ in Lakhs)

Particulars	Fair value measurement using						
	FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at 31-March-2023							
Investments	13,737.72	-	2,719.09	16,456.81	4,049.01	12,356.75	-
Trade receivables (Note 11)	-	-	5,283.14	5,283.14	-	-	-
Cash and cash equivalents (Note 12)	-	-	265.67	265.67	-	-	-
Other bank balance (Note 12)	-	-	15.30	15.30	-	-	-
Other financial assets (Note 7 & 13)	-	-	228.65	228.65	-	-	-
Total Financial Assets	13,737.72	-	8,511.85	22,249.57	4,049.01	12,356.75	-
Trade payable	-	-	1,832.59	1,832.59	-	-	-
Other financial liabilities	-	-	-	-	-	-	-
Lease liabilities	-	-	63.71	63.71	-	-	-
Total Financial liabilities	-	-	1,896.3	1,896.3	-	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

Note 36 : Financial instruments

The Company's principal financial liabilities comprise trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include Investments, trade and other receivables and cash & short-term deposits that derive directly from its operations.

The Company's activities expose it to market risk, credit risk and liquidity risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency exposures. Derivatives are used exclusively for hedging purposes and not as trading / speculative instruments. The Audit Committee/Board of Director has oversight in the area of financial risks and controls. It also covers policies on specific risk areas such as currency risk, interest rate risk and investment of surplus funds.

For risk management, management identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The management provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity.

The following disclosures summarize the Company's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables.

Within the various methodologies to analyse and manage risk, the Company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the Company. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of Profit and Loss may differ materially from these estimates due to actual developments in the global financial markets.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations and provisions.

The following assumption has been made in calculating the sensitivity analyses:

- The sensitivity of the relevant Statement of Profit or Loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31-March-2024 and 31-March-2023.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any borrowings with floating interest rate. Hence, the Company does not have any interest rate risk at present.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and in foreign currency, primarily in USD, GBP and EUR. Consequently, the Company has foreign currency trade payables and receivables etc. and is, therefore, exposed to foreign exchange risk. However, exposure to foreign currency is not material and hence, foreign currency risk is assessed by the Company is low.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

The carrying amount of unhedged foreign currency monetary liabilities at the end of the reporting period are as follow: (₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
USD	-	4.18
EUR	116.86	1.15

Foreign Currency Sensitivity:

The Company is principally exposed to foreign currency risk against USD and EUR. Sensitivity of profit or loss arises mainly from USD and EUR denominated payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR and EUR-IND currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below: (₹ in Lakhs)

USD sensitivity at year end	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Assets:		
Weakening of INR by 5%	-	-
Strengthening of INR by 5%	-	-
Liabilities:		
Weakening of INR by 5%	-	(0.21)
Strengthening of INR by 5%	-	0.21
EUR sensitivity at year end	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Assets:		
Weakening of INR by 5%	-	-
Strengthening of INR by 5%	-	-
Liabilities:		
Weakening of INR by 5%	(5.84)	(0.06)
Strengthening of INR by 5%	5.84	0.06

Equity price risk

The Company's investment consists of investments in publicly traded companies held for purposes other than trading. Such investments held in connection with non-consolidated investments represent a low exposure risk for the Company and are not hedged.

(b) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, and other financial instruments.

Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 30 days to 90 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd...)

The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 6. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The ageing analysis of trade receivables as of the reporting date is as follow: (₹ in Lakhs)

Trade receivables as at	Not Due	Past due but not impaired				Total
		Less than 90 days	90 to 180 days	180 to 365 days	Above 365 days	
31-March-2024	5,896.99	2917.76	511.35	5.81	105.30	9437.21
Provision for expected credit loss						(59.46)
Trade Receivables						9377.75
31-March-2023	4,354.03	824.71	41.30	58.08	124.67	5402.79
Provision for expected credit loss						(119.65)
Trade Receivables						5283.14

The requirement of impairment is analysed at each reporting date.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties who meet the minimum threshold requirements under the counterparty risk assessment process. The Company monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk for the components of the Balance Sheet as on 31-March-2024 and 31-March-2023 is the carrying amount as disclosed in Note 34.

(c) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing, including bilateral loans, debt and overdraft from domestic banks at an optimised cost. It also enjoys strong access to domestic capital markets across equity.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd...)

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	(₹ in Lakhs)				
	On Demand	Less than 3 month	3 months to 1 year	1 year to 5 years	more than 5 years
Year ended 31-March-2024					
Trade payables	-	2,718.98	-	-	-
Lease liability	-	3.33	10.00	27.51	-
Other financial liabilities	57.09	-	-	-	-
Payable for capital goods	-	35.36	-	-	-
	57.09	2,757.67	10.00	27.51	-
Year ended 31-March-2023					
Trade payables	-	1,832.59	-	-	-
Lease liability	-	11.16	29.03	23.52	-
Other financial liabilities	58.78	-	-	-	-
Payable for capital goods	-	35.36	-	-	-
	58.78	1,879.11	29.03	23.52	-

Note 37 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance).

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Total Debt	40.84	63.71
Cash and Cash Equivalent (including other bank balance)	(801.97)	(280.97)
Net Debt	(761.13)	(217.26)
Equity share capital	576.84	576.84
Other equity	38,040.22	34,309.89
Total capital	38,617.06	34,886.73
Capital and net debt	37,855.93	34,669.47
Gearing ratio	-2%	-1%

1. Debt is defined as all Long Term and Short Term Debt outstanding + Current Maturity outstanding in lieu of Long Term Debt including Lease Liabilities.

2. Equity is defined as Equity Share Capital + Other Equity

No changes were made in the objectives, policies or processes for managing capital during the years ended 31-March-2024 and 31-March-2023.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd...)
Note 38: Contingent liabilities

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Contingent liabilities not provided for		
a. Income tax demands disputed by the Company	25.76	202.37
b. Excise & Service tax demands disputed by the Company	560.21	702.20

Note: Above all figures are excluding unquantified interest payable wherever applicable and outflow of funds, if any, would depend upon the outcome of the dispute / contingency.

Note 39: Capital commitments

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Capital commitments		
Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of Advance)	238.52	371.69

Note 40 : Disclosure pursuant to Employee benefits
A. Define benefit obligation:

Amount of Rs. 65.84 lakh. (31-March- 2023: Rs.67.77 lakh) is recognised as expenses and included in Note No. 21 "Employee benefit expense"

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Provident Fund	62.29	62.52
Superannuation Fund	3.55	5.25
	65.84	67.77

B. Defined benefit plan:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd...)

31-March-2024 : Changes in defined benefit obligation and plan assets

(₹ in Lakhs)

	Gratuity cost charged to statement of profit and loss				Remeasurement gains/(losses) in other comprehensive income					31-March-2024		
	01-April-2023	Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 21)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments		Sub-total included in OCI	Asset Transfer In/ Transfer Out
Gratuity												
Defined benefit obligation	321.28	18.74	24.48	43.22	(72.73)	-	-	6.43	18.56	24.99	0.32	-
Fair value of plan assets	342.22	-	26.08	26.08	-	-4.96	-	-	-	(4.96)	-	8.95
Benefit liability/(Asset)	(20.94)	18.74	(1.60)	17.14	(72.73)	4.96	-	6.43	18.56	29.95	0.32	(8.95)
Total benefit liability/(asset)	(20.94)	18.74	(1.60)	17.14	(72.73)	4.96	-	6.43	18.56	29.95	0.32	(8.95)

31-March-2023 : Changes in defined benefit obligation and plan assets

(₹ in Lakhs)

	Gratuity cost charged to statement of profit and loss				Remeasurement gains/(losses) in other comprehensive income					31-March-2023		
	01-April-2022	Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 21)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments		Sub-total included in OCI	Asset Transfer In/ Transfer Out
Gratuity												
Defined benefit obligation	317.83	18.99	22.53	41.52	(61.53)	-	-	(9.52)	33.73	24.21	(0.75)	-
Fair value of plan assets	325.88	-	23.10	23.10	(7.33)	-1.42	-	-	-	(1.42)	-	1.98
Benefit liability/(Asset)	(8.05)	18.99	(0.57)	18.42	(54.20)	1.42	-	(9.52)	33.73	25.63	(0.75)	(1.98)
Total benefit liability/(asset)	(8.05)	18.99	(0.57)	18.42	(54.20)	1.42	-	(9.52)	33.73	25.63	(0.75)	(1.98)

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	Year ended 31-March-2024 (%) of total plan assets	Year ended 31-March-2023 (%) of total plan assets
Insured fund	100%	100%
(%) of total plan assets	100%	100%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd...)

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	31-March-2024	31-March-2023
Discount rate	7.26%	7.62%
Future salary increase	7.26%	7.00%
Expected rate of return on plan assets	7.00%	7.62%
Attrition rate	2.00%	2.00%
Mortality rate during employment	Indian assured lives Mortality 2012-14 (Urban)	Indian assured lives Mortality 2012-14 (Urban)

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	Sensitivity level	(increase) / decrease in defined benefit obligation (Impact)	
		31-March-2024	31-March-2023
Gratuity (₹ in Lakhs)			
Discount rate	1% increase	(17.06)	(16.18)
	1% decrease	19.78	18.59
Salary increase	1% increase	19.64	18.52
	1% decrease	(17.25)	(16.41)
Attrition rate	1% increase	(0.04)	0.47
	1% decrease	0.00	(0.56)

The followings are the expected future benefit payments for the defined benefit plan : (₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Gratuity		
Within the next 12 months (next annual reporting period)	101.55	72.86
Between 2 and 5 years	95.55	144.13
Between 6 and and 10 years	76.17	89.27
Beyond 11 years	300.01	269.47
Total Expected Payments	573.28	575.73

Weighted average duration of defined plan obligation (based on discounted cash flows) (₹ in Lakhs)

Particulars	31-March-2024 Years	31-March-2023 Years
Gratuity	7	7

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd...)

The followings are the expected contributions to planned assets for the next year: (₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Gratuity	-	-

C. Other Long term employee benefit plans**Leave encashment / Compensated absences**

Salaries, Wages and Bonus include ₹ (0.31) Lakhs [Previous Year ₹ (2.76) Lakhs] towards provision made as per actuarial valuation in respect of accumulated leave encashment/compensated absences.

Note 41 : Related party disclosures as required by Indian Accounting Standard (Ind AS 24) "Related Party Disclosures" are as under:

i) Names of the related parties**(a) Where Control Exists:- control / influence****Associates**

Eimco Elecon Electricals Limited (up to 12th July, 2023)

(b) Key Management Personnel (KMP):**Directors**

Shri Pradip M, Patel, Non Executive Director and Chairman

Shri Mukulnarayan Dwivedi, Executive Director

Shri Prayasvin B. Patel, Executive Director

Shri Prashant C. Amin, Non Executive Director - Nominee Director

Shri Venkatraman Srinivasan, Non Executive Director - Independent Director (w.e.f. 24th April 2023)

Shri Nirmal P. Bhogilal, Non Executive Director - Independent Director

Smt. Manjuladevi P. Shroff, Non Executive Director - Independent Director

Ms. Reena Bhagwati, Non Executive Director - Independent Director

Executive Officers

Shri Vishal C. Begwani, Chief Financial Officer

Shri Rikenkumar Dalwadi, Company Secretary

(c) Entities in which KMP and their relatives have significant influences:

Eimco Elecon Eletricals Limited (w.e.f. 13th July,2023)

EMTICI Engineering Limited

EMTICI Marketing LLP

Prayas Engineering Limited

Elecon Information Technology Ltd.

Akkaish Mechatronics Limited

Speciality Woodpack Pvt Ltd.

Elecon Peripherals Limited

K B Investment Private Limited.

Akaaishpra Infracon Pvt. Ltd.

Jamco Consultants Pvt. Ltd.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd...)**

Kirloskar Power Build Gears Ltd.
Akaaish Investments Pvt. Ltd.
Tech Elecon Pvt. Ltd.
Elecon Hydraulics Pvt. Ltd.
Vijay M. Mistry Construction Private Limited.
Elecon Australia Pty. Limited.
Elecon Africa Pty. Limited.
Elecon Singapore Pte. Limited.
Elecon Middle East FZE, UAE
Elecon Engineering (Suzhou) Co Limited
Radicon Transmission UK Limited
Radicon Drive System Inc. (formaly known as Elecon USA Trasnmission Limited)
Benzlers System, AB
AB Benzlers
Benzler Italia s.r.l., Italy
Banzler Transmission A.S (Denmark)
OY Benzler AB (Finland)
Benzler Antriebstechnik GMBH, Germany
Benzler TBA BV, Netherlands
Radicon Transmission FZE, UAE
Radicon Transmission (Thailand) Limited
Radicon Transmission System (Thailand) Limited
Radicon Transmission (Australia) Pty. Limited.
Desmin Agencies
Naman Integrated Management services Pvt. Ltd.
Modsonic Instruments Manufacturing Company Private Limited
NHR Technologies Private Limited
B. I. Patel Charitable Trust
I. B. Patel Charitable Trust
Lotus Trust
Madhubhan Organic Farm
Mount Pleasant
Savita Chhaya Foundation
Alemonia Life Sciences LLP

e. Collaborators

Sandvik AB Sweden
Tamrock Great Britain Holding Limited

f. Post employment benefit plan

Eimco Employees Gratuity S.
Eimco Emp Super Annuity SH

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd...)
ii) Transactions with related parties:

Sr. No.	Nature of Transactions	Year Ended	Associates		Key Management Personnel		Entities in which KMP or their Relatives have Significant Influence		Total	
			March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
1.	Sale of Goods	Elecon Engineering Co. Ltd.					114.83	75.48	114.83	75.48
		Speciality Woodpack Pvt. Ltd.					-	-	-	-
		Eimco Elecon Electricals Pvt. Ltd.					0.70	-	0.70	-
		Elecon Hydraulics Pvt. Ltd.					2.92	-	2.92	-
		Vijay M. Mistry Construction Pvt. Ltd.					69.47	20.32	69.47	20.32
		Emtici Marketing LLP					-	0.72	-	0.72
		Akaaish Mechatronics Ltd.					-	940.00	-	940.00
2.	Purchase of goods	Elecon Engineering Co Ltd					668.01	517.61	668.01	517.61
		Power Build Pvt. Ltd					7.98	0.96	7.98	0.96
		Elecon Peripherals Limited					0.09	0.52	0.09	0.52
		Elecon Hydraulics Pvt. Ltd.					94.83	32.13	94.83	32.13
		EMTICI Engineering Ltd					19.13	-	19.13	-
		Emtici Marketing LLP					27.52	-	27.52	-
		Tech Elecon Pvt. Ltd.					2.38	-	2.38	-
		Akaaish Mechatronics Ltd					8.98	-	8.98	-
		Prayas Engineering Ltd.					0.34	-	0.34	-
		Speciality Woodpack Pvt Ltd					18.10	14.00	18.10	14.00
Eimco Elecon Electricals Pvt Ltd					192.82	100.24	192.82	100.24		
3.	Purchase of Fixed assets	Tech Elecon Pvt. Ltd.					34.45	71.05	34.45	71.05
4.	Sale of PPE	Elecon Engineering Co Ltd					-	1.40	-	1.40
5.	Rendering of services	Elecon Engineering Co Ltd					-	4.58	-	4.58
		EMTICI Marketing LLP					1.41	-	1.41	-
6.	Availing of services	Elecon Engineering Co Ltd					0.76	18.94	0.76	18.94
		Elecon Information Technology Ltd					7.77	7.08	7.77	7.08
		Akaaish Mechatronics Ltd					157.11	144.96	157.11	144.96
		EMTICI Engineering Ltd					28.99	46.78	28.99	46.78
		Wizard Fincap					-	25.86	-	25.86
		Tech Elecon Pvt. Ltd.					258.09	171.23	258.09	171.23
		Jamko Consultants Pvt. Ltd.					-	0.01	-	0.01
		EMTICI Marketing LLP					1.79	26.42	1.79	26.42
		Power Build Pvt. Limited					31.01	21.83	31.01	21.83
		Naman Integrated Management services Pvt. Ltd.					1.65	-	1.65	-
7.	Rent expense	Elecon Engineering Co. Ltd.					35.40	14.92	35.40	14.92
		EMTICI Engineering Ltd.					54.01	52.44	54.01	52.44
		Tech Elecon Pvt. Ltd.					3.48	-	3.48	-
8.	Rent Income	Elecon Engineering Co. Ltd.					5.40	0.32	5.40	0.32
9.	Dividend Paid	Tamrock Great Britain Holdings Limited					72.39	36.20	72.39	36.20
		Elecon Engineering Co Ltd					47.92	23.96	47.92	23.96
		EMTICI Engineering Ltd.					-	20.46	-	20.46
		K.B. Investment Private Limited					19.43	9.72	19.43	9.72
		Bipra Investment & Trusts Private Limited					-	4.71	-	4.71
		Elecon Information Technology Ltd					-	3.69	-	3.69
		Devkishan Investments Private Limited					-	3.02	-	3.02
Akkaish Mechatronics Limited					-	3.11	-	3.11		

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd...)
II. Transactions with related parties: (Contd...)

Sr. No.	Nature of Transactions	Year Ended	Associates		Key Management Personnel		Entities in which KMP or their Relatives have Significant Influence		Total	
			March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
		Power Build Private Limited					0.80	0.40	0.80	0.40
		Akaaish Investment Pvt. Ltd.					71.84	-	71.84	-
		Taruna Patel					0.25	0.13	0.25	0.13
		Prayasvin Patel					0.89	0.45	0.89	0.45
		Prashant C. Amin					0.06	0.03	0.06	0.03
10	Dividend Received	Eimco Elecon Eletrical Limited					86.70	142.80	86.70	142.80
11	Sale of Investment	Aakaaish Investments Private Limited					131.02	-	131.02	-
12	CSR and Donation	B. I. Patel Charitable Trust					15.00	4.63	15.00	4.63
13	Commission on Sales	EMTICI Marketing LLP					1,910.48	1,416.21	1,910.48	1,416.21
14	Remuneration paid	Shri P.M. Patel			6.72	5.62			6.72	5.62
		Shri P.B. Patel			62.88	62.88			62.88	62.88
		Shri P.C. Amin			5.32	4.32			5.32	4.32
		Shri Nirmal Bhogilal			6.72	4.92			6.72	4.92
		Shri Nalin M. Shah			0.00	4.96			-	4.96
		Shri Venkatraman Srinivasan			5.92	0.00			5.92	-
		Smt. Manjuladevi Shroff			6.04	5.58			6.04	5.58
		Ms. Reena Bhagwati			5.52	4.02			5.52	4.02
		Shri Mukul Dwivedi			64.49	47.15			64.49	47.15
		Shri Vishal Begwani			49.03	40.44			49.03	40.44
		Shri Riken Dalwadi			11.03	8.40			11.03	8.40
	Post employment benefits	Short-term employee benefits			187.42	173.15			187.42	173.15
		Post employment benefits			32.85	26.09			32.85	26.09
		Amount outstanding								
	Outstanding Payables	Elecon Engineering Company Limited					47.11	53.13	47.11	53.13
		Shri Mukul Dwivedi			8.00	8.00			8.00	8.00
		Shri P.M. Patel			3.60	2.70			3.60	2.70
		Shri P.C. Amin			3.60	2.70			3.60	2.70
		Shri Nirmal Bhogilal			3.60	2.70			3.60	2.70
		Shri Nalin M. Shah			0.00	2.70			-	2.70
		Shri Venkatraman Srinivasan			3.60	0.00			3.60	-
		Smt. Manjuladevi Shroff			3.60	2.70			3.60	2.70
		Ms. Reena Bhagwati			3.60	2.70			3.60	2.70
		Elecon Peripheals Limited					0.05	-	0.05	-
		EMTICI Engineering Limited					33.58	0.91	33.58	0.91
		Elecon Information Technology Limited					-	-	-	-
		Akkaish Mechatronics Limited					0.76	-	0.76	-
		Speciality Woodpack Pvt. Ltd.					0.09	0.99	0.09	0.99
		Power Build Pvt. Limited					2.99	2.08	2.99	2.08
		Elecon Hydraulics Pvt. Ltd.					0.37	(1.29)	0.37	(1.29)
		Jamko Consultants Pvt. Ltd.					-	-	-	-
		EMTICI Marketing LLP					389.72	409.80	389.72	409.80
		Eimco Elecon Eletrical Limited					29.62	26.76	29.62	26.76

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd...)

II. Transactions with related parties: (Contd...)

Sr. No.	Nature of Transactions	Year Ended	Associates		Key Management Personnel		Entities in which KMP or their Relatives have Significant Influence		Total	
			March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Outstanding Receivables	Elecon Engineering Company Limited Elecon Hydraulics Pvt. Ltd. Vijay M. Mistry Construction Pvt. Ltd.					20.75 0.86 -	12.67 - 2.25	20.75 0.86 -	12.67 - 2.25
	Investment	Eimco Elecon Eletrical Limited	-	51.00					-	51.00
	Commitments						950.32	246.72	950.32	246.72

Note 42 : Earning per share

(₹ in Lakh except EPS)

Particulars	2023-24	2022-23
Earing per share (Basic and Diluted)		
Profit attributable to ordinary equity holders (In Lakhs)	4,041.16	2,086.75
Total no. of equity shares at the end of the year	57,68,385	57,68,385
Weighted average number of equity shares		
For basic EPS	57,68,385	57,68,385
For diluted EPS	57,68,385	57,68,385
Nominal value of equity shares	10.00	10.00
Basic earning per share	70.06	36.18
Diluted earning per share	70.06	36.18

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd...)

Note 43 : Corporate social responsibility expenditure

(₹ in Lakh)

Particulars	2023-24	2022-23
(a) Gross amount required to be spent by the Company during the year (2% of Avg Net Profit as per Section 135(5))	20.45	7.04
(b) Amount spent during the year		
(i) Construction/acquisition of any asset		
(ii) On purposes other than (i) above - In Cash	21.40	4.63
(c) Set Off Available from Previous Years	-	2.41
(d) Set Off available for succeeding years	0.95	-
(e) Reason for shortfall	Not Applicable	Not Applicable
(f) Nature of CSR activity	*	*
(g) Details of Related party transaction**	15.00	4.63
(h) Amount approved by the Board to be spent during the year	20.45	7.04
(i) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement in the provision during the year	Not Applicable	Not Applicable

* Promoting healthcare.

** Represents contribution to B. I. Patel Charitable Trust towards promoting education and healthcare related activities.

Note 44 : Other Amendments with respect to Schedule III

- a. The company does not have any Benaim property, where any proceeding has been initiated or pending against the company for holding any Benaim property.
- b. The company is not declared as wilful defaulter by any bank or financial Institution or other lender.
- c. There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- d. The company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- e. The company have not traded or invested in Crypto currency or Virtual Currency during the year.
- f. The company does not have any transactions with companies struck off.
- g. The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- h. The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd...)

- i. The company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 45 : The Company operates in one segment i.e. Machinery and Spares

Note 46 : The previous year's figures have been regrouped / rearranged wherever necessary to make it comparable with the current year.

As per our report of even date attached

For **K C MEHTA & CO LLP**
Chartered Accountants
 (Firm's Registration No. : 106237W/W100829)

For and on behalf of the Board of Directors
Eimco Elecon (India) Limited
 CIN : L29199GJ1974PLC002574

Neela R. Shah
Partner
 Membership No. 045027

Mukulnarayan Dwivedi
Executive Director
 DIN : 08442155

Prayasvin B. Patel
Executive Director
 DIN : 00037394

Vishal C. Begwani
Chief Financial Officer

Rikenkumar Dalwadi
Company Secretary

Place : Vallabh Vidyanagar
 Date : 18th April, 2024

Place : Vallabh Vidyanagar
 Date : 18th April, 2024

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd...)

Note 47 : Ratio Analysis

Sr. No	Particulars	Numerator	Denominator	31 March 2024	31 March 2023	Variance	Comment
1	Current Ratio	Current assets	Current liabilities	3.45	4.42	22.10%	Higher Customer advance in the current year lead to lower current ratio
2	Debt Equity Ratio	Total Debt(1)	Shareholders Equity	0.00	0.00	-42.09%	No material amount
3	Debt Service Coverage Ratio	Earnings available for debt service(2)	Debt Service(3)	153.14	47.49	222.49%	Increase in operating profit lead to improvement
4	Return on Equity	Net Profit after taxes- Preference dividend (if any)	Average Share holders Equity	11.00%	6.15%	78.76%	Increase in profitability due to higher sales
5	Inventory Turnover Ratio	Cost of goods sold	Average inventory	1.41	1.20	17.09%	Increase in total turnover resulted in improvement
6	Trade Receivable Turnover Ratio	Net credit sales	Average Account receivables	3.07	3.71	-17.19%	Increase in total turnover and improvement in collection resulted in overall improvement
7	Trade Payable Turnover Ratio	Net credit purchases	Average Account payables	5.40	5.55	-2.78%	No major change
8	Net Capital Turnover Ratio	Net Sales	Working Capital	1.58	1.55	2.36%	No major change
9	Net Profit Ratio	Net Profit	Total Income	16.43%	11.39%	44.25%	Improvement in operating margin due to better capacity utilisation lead to improvement
10	Return on Capital Employed	Earning before interest and taxes	Capital Employed(4)	12.77%	7.52%	69.76%	Improvement in operating margin due to better capacity utilisation lead to improvement
11	Return on Investment	Income from invested funds(5)	Average Invested Funds(6)	10.10%	5.78%	74.87%	Improvement in MTM invement income due to lowering of interest yield and better equity performance during current year

(1) Total Debt represents Current Borrowings + Non Current Borrowings + Lease liabilities.

(2) Earnings available for debt service represents Profit Before Tax + Interest on Debt

(3) Debt Service represents Interest on Debt + Scheduled principal repayment of non-current borrowings + Current maturity of lease liabilities

(4) Capital Employed represents Total Equity + Borrowings + Deferred Tax liabilities.

(5) Income generated from invested funds represents Interest Income, Actual Gain / (Loss) on Sale of Investments in Shares / Mutual Funds and Notional Gain / (Loss) on unsold Investments in Shares / Mutual Funds.

(6) Average Invested funds represents Average Investments in Fixed deposits, Equity Shares and Mutual Funds.

INDEPENDENT AUDITORS' REPORT

To,
The Members of **Eimco Elecon (India) Limited**

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

We have audited the accompanying consolidated financial statements of Eimco Elecon (India) Limited ("the Company") and its associate, which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the consolidated financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the other financial information of the associate as referred to in the "Other Matter" Paragraph, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its associate as at March 31, 2024, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
1.	<p><u>Existence and valuation of investments</u> (Refer to note 6 & 10 to the consolidated financial statements)</p> <p>Total investments of ₹ 17,971.02 Lakhs represent 39.90% of total assets of the Company. These investments mainly consist of current and non-current investments in mutual funds. Valuation of the investments is done at fair market value at each balance sheet date. Thus, being very high proportion of total assets of the Company and its Associate as well as high amount of gain or loss credited / debited to statement of profit and loss account, made us conclude that existence and valuation of investments are a key audit matter of our audit.</p>	<p>Our audit procedures to test the existence of the investments mainly consist of verifying quantity / unit balances and market values with demat statement / statements of respective assets management companies as well as verifying the relevant recording of gain or loss in value of respective investments at each balance sheet date.</p> <p>Conclusion: Based on the procedures described we consider the disclosure of investments value as current as well as non-current and recording of gain or loss on the same as acceptable.</p>
1.	<p><u>Litigations and claims</u> (Refer to note 38 to the consolidated financial statements)</p> <p>In case of the company, the cases are pending with Income Tax and Excise.</p> <p>In normal course of business, financial exposures may arise from pending proceedings and from litigation and claims. Whether a claim needs to be recognised as liability or disclosed as contingent liability in the consolidated financial statements is dependent on number of significant assumptions and judgments. The amounts involved are potentially significant and determining the amount, if any, to be recognised or disclosed in the consolidated financial statements, is inherently subjective.</p> <p>We considered the above area as a key audit matter due to associated uncertainty related to the outcome of these matters and application of material judgement in interpretation of law.</p>	<p>Our audit procedures, inter alia, included the following:</p> <ul style="list-style-type: none"> • Evaluation of company's management's judgment of tax risks, estimates of tax exposures, other claims and contingencies. Past and current experience with the tax authorities and management's response on the subject matter were used to assess the appropriateness of management's best estimate of the most likely outcome of each uncertain contingent liability. • Understanding the current status of the tax assessments & other litigations and discussing selected matters with the company's management. • Assessing the company's assumptions and estimates in respect of claims, included in the contingent liabilities disclosed in the consolidated financial statements. • Assessment of the probability of negative result of litigation and the reliability of estimates of related obligations. <p>Conclusion: Based on procedure described above, we did not identify any material exceptions relating to management's assertions, and treatment, presentation and disclosure of the subject matter in the consolidated financial statements.</p>

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance Report and Shareholder's Information but does not include the consolidated financial statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

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

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

When we read the 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 necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated 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 and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Company and its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and its associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its associate incorporated in India has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability and its associate's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditor.

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 consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matters 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.

Other Matters

- The consolidated financial statement also include the Company's share of net profit after tax, and total comprehensive income for the year ended March 31, 2024 as mentioned below. Further, the entire investment in associate was disposed off by the company on July 12, 2023, whose unaudited financial results up to July 12, 2023 have been reviewed by other auditor whose report has been furnished to us by the Management.

Particulars	Year ended March 31, 2024 (upto July 12, 2023)
Total net profit after tax	1.46
Total Comprehensive Income	1.46

Our opinion on the consolidated financial statements is not modified in respect of the above matter with respect to our reliance on work done and report of other auditor.

Report on Other Legal and Regulatory Requirements

- As required by section 143(3) of the Act, and based on our audit and on separate reviewed interim financial information of the associate, as noted in "Other Matter" paragraph, we report, to the extent applicable, that:
 - we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
 - the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows

dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements;

- d. in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (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, 2024 and taken on record by the Board of Directors of the Company, none of the directors of the Company and its associate company incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. with respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Company and its associate and the operating effectiveness of such controls, refer to our separate report in "Annexure A";
- g. with respect to the other matter to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- h. with respect to the other matter to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the consolidated financial statements disclosed the impact of pending litigations on the consolidated financial position of the Company and its associate - Refer Note 38 to the consolidated financial statements;
 - ii. the Company and its associate did not have any long-term contracts including derivative contracts for which there were material foreseeable losses as at March 31, 2024;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associate incorporated in India.
- iv. (a) The Company's 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 and its associate 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company and its associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Company's Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company and its associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company and its associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. As stated in Note 17 to the consolidated financial statements
 - (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
 - (b) The Board of Directors of the Company has proposed final dividend for the year which is subject to the



approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. Based on our examination carried out, which included test checks, we report that the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, the company has implemented edit log feature in phased manner, spanning from April 25, 2023 to February 15, 2024 at individual Table/Activity level for all relevant transactions recorded in the software. This edit log feature has remained continuously operational throughout the year from the various dates from which the same got activated/enabled but not from beginning of the year. Further, during the course of our audit, we did not come across any instances of audit trail feature being tampered with.

For **K C Mehta & Co LLP**
Chartered Accountants
(Firm's Registration No. 106237W/W100829)

Neela R. Shah
Partner
Membership No. 045027
UDIN:- 24045027BKCXHK5263

Place : Vallabh Vidyanagar
Date : 18th April, 2024

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Eimco Elecon (India) Limited on the consolidated financial statements of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to consolidated financial statements of Eimco Elecon (India) Limited (“the Company”) and its associate company wherein such audit of internal financial controls with reference to financial statements was carried out by other Auditor whose report have been forwarded to us and have been appropriately dealt with by us in making this report as of March 31, 2024 in conjunction with our audit of the consolidated financial statements of the company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company and its associate’s management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective Companies 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 Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company and its Associate's internal financial controls with reference to consolidated financial statements 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 prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls with reference to consolidated Financial Statements and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to consolidated financial statements

A Company’s internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s



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

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Opinion

In our opinion, the Company and its Associate, has, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company and its Associate 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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to associate company, which are companies incorporated in India, is based on the reviewed reports of such company incorporated in India by other auditor.

Our opinion is not modified in respect of the above matter.

For **K C Mehta & Co LLP**
Chartered Accountants
(Firm's Registration No. 106237W/W100829)

Neela R. Shah
Partner
Membership No. 045027
UDIN:- 24045027BKCXHK5263

Place : Vallabh Vidyanagar

Date : 18th April, 2024

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ in Lakhs)

Particulars	Note No.	31-March-2024	31-March-2023
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	3	5,843.07	6,170.47
(b) Capital work-in-progress	3	8.43	52.27
(c) Investment property	4	264.09	279.03
(d) Intangible assets	5	1,232.39	1,159.05
(e) Financial assets			
(i) Investments	6	17,306.76	16,643.21
(ii) Other financial assets	7	132.32	160.31
(f) Other non-current assets	8	24.92	-
Total Non-current Assets		24,811.98	24,464.34
II. Current assets			
(a) Inventories	9	8,578.57	7,878.73
(b) Financial assets			
(i) Investments	10	664.26	-
(ii) Trade receivables	11	9,377.75	5,283.14
(iii) Cash and cash equivalents	12	788.36	265.67
(iv) Bank balances other than (iii) above	12	13.61	15.30
(v) Other financial assets	13	54.98	68.34
(c) Current tax assets (net)	14	38.53	145.65
(d) Other current assets	15	708.55	756.39
Total Current Assets		20,224.61	14,413.22
Total Assets		45,036.59	38,877.56
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	576.84	576.84
(b) Other equity	17	38,040.22	34,496.29
Total Equity		38,617.06	35,073.13

**CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2024**

(₹ in Lakhs)

Particulars	Note No.	31-March-2024	31-March-2023
LIABILITIES			
(I) Non - current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities	18	13.33	23.52
(b) Provisions	19	8.02	13.68
(c) Deferred tax liabilities (net)	33	527.56	508.09
Total Non-current liabilities		548.91	545.29
(II) Current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities	18	27.51	40.19
(ii) Trade payables	20		
(a) Total outstanding dues of micro enterprises and small enterprises		592.65	377.18
(b) Total outstanding dues of trade payables other than micro enterprises and small enterprises		2,126.33	1,455.41
(iii) Other financial liabilities	21	57.09	94.14
(b) Other current liabilities	22	2,769.29	1,025.66
(c) Provisions	23	297.75	266.56
Total Current Liabilities		5,870.62	3,259.14
Total Equity and Liabilities		45,036.59	38,877.56

The accompanying notes are an integral part of the Consolidated Financial Statements.

1-46

As per our report of even date attached

For **K C MEHTA & CO LLP**

Chartered Accountants

(Firm's Registration No. : 106237W/W100829)

Neela R. Shah

Partner

Membership No. 045027

For and on behalf of the Board of Directors

Eimco Elecon (India) Limited

CIN : L29199GJ1974PLC002574

Mukulnarayan Dwivedi

Executive Director

DIN : 08442155

Prayasvin B. Patel

Executive Director

DIN : 00037394

Vishal C. Begwani

Chief Financial Officer

Rikenkumar Dalwadi

Company Secretary

Place : Vallabh Vidyanagar

Date : 18th April, 2024

Place : Vallabh Vidyanagar

Date : 18th April, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2024

(₹ in Lakhs)

Particulars	Note No.	31-March-2024	31-March-2023
Revenue from operations	24	22,750.28	17,271.11
Other income	25	1,654.33	904.40
Total Income (I)		24,404.61	18,175.51
Expenses			
Cost materials consumed	26	8,669.17	4,688.31
Purchase of Stock in Trade	27	3,037.82	3,124.98
Changes in inventories of finished goods and work-in-progress	28	(122.94)	1,187.05
Manufacturing expense	29	722.68	664.92
Employee benefits expense	30	1,826.35	1,525.82
Finance costs	31	94.34	50.11
Depreciation and amortisation expense	3,4&5	746.46	780.18
Compensation to Distributors		2,471.18	1,707.75
Other expenses	32	2,152.47	1,940.57
Total Expenses (II)		19,597.53	15,669.69
Profit before Share in Profit / (Loss) of Associate and tax (III) = (I-II)		4,807.08	2,505.82
Share in income of associates (IV)		1.46	8.54
Profit before tax (V)		4,808.54	2,514.36
Tax Expense	33		
Current tax		921.00	727.50
Tax adjustments for earlier years		5.78	(11.56)
Deferred tax		27.00	(154.07)
Total tax expense (VI)		953.78	561.87
Profit for the year (VII) = (V-VI)		3,854.76	1,952.49

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2024**

(₹ in Lakhs)

Particulars	Note No.	31-March-2024	31-March-2023
Other Comprehensive Income			
Items that will not be reclassified to profit and loss			
Re-measurement gains / (losses) on defined benefit plans		(29.95)	(25.64)
Income tax effect of above		7.54	6.45
Other comprehensive income (net of tax) for the year (VIII)		(22.41)	(19.19)
Total comprehensive income IX = (VII + VIII)		3,832.35	1,933.30
Earnings per equity shares (₹):	42		
Face Value per equity share (₹): 10			
Basic		66.83	33.85
Diluted		66.83	33.85

The accompanying notes are an integral part of the consolidated financial statements.

1-46

As per our report of even date attached

For **K C MEHTA & CO LLP**

Chartered Accountants

(Firm's Registration No. : 106237W/W100829)

Neela R. Shah

Partner

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CIN : L29199GJ1974PLC002574

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DIN : 00037394

Vishal C. Begwani

Chief Financial Officer

Rikenkumar Dalwadi

Company Secretary

Place : Vallabh Vidyanagar

Date : 18th April, 2024

Place : Vallabh Vidyanagar

Date : 18th April, 2024

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2024

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before Tax	4,808.54	2,514.36
<i>Adjustments for :</i>		
Share of profit of associates	(1.46)	(8.54)
Depreciation and Amortisation of Property, Plant and Equipments, Intangible Assets and Investment Property	746.46	780.18
Finance Cost	94.34	50.11
Gain on sale / fair valuation of Investment (Net)	(1,312.43)	(466.58)
Loss on Sale of Property, Plant and Equipments (Net)	22.22	5.05
Interest Income	(215.49)	(290.82)
Dividend Income	(23.41)	(18.41)
Provision for Doubtful receivable/sundry balances written off/written back	(52.07)	43.43
Unrealised foreign exchange (gain)/loss (Net)	(2.62)	(0.07)
Operating Profit before changes in working capital	4,064.08	2,608.71
Working capital adjustment or change in working capital		
Trade and other receivables	(4,042.54)	(1,414.26)
Inventories	(699.84)	(785.03)
Other financial assets	41.35	(139.89)
Other current and non-current assets	22.91	213.05
Trade payables	889.01	104.95
Other payables	1,739.21	469.12
Other financial liabilities	(35.36)	38.14
Cash generated from operations	1,978.82	1,094.79
Net Direct taxes paid/(refunded)	819.62	428.38
NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES (A)	1,159.20	666.41
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	16.61	11.40
Proceeds from sale/(Purchase)of investments (Net)	(13.91)	(504.80)
Interest income	215.49	290.82
Dividend income	23.41	18.41
Payments for purchase of property plant and equipment and CWIP	(469.86)	(283.80)
Bank balance not considered as cash and cash equivalent (Net)	1.69	2.22
NET CASH (USED IN) /GENERATED FROM INVESTING ACTIVITIES (B)	(226.57)	(465.75)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2024

(₹ in Lakhs)

Particulars	31-March-2024	31- March-2023
CASH FLOW FROM FINANCING ACTIVITIES:		
Finance Cost	(90.15)	(42.55)
Interest on lease liability	(4.19)	(7.56)
Principal Payment of lease liability	(25.49)	(46.05)
Dividend Paid	(290.11)	(146.43)
NET CASH (USED IN) /GENERATED FROM FINANCING ACTIVITIES (C)	(409.94)	(242.59)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	522.69	(41.93)
Cash and cash equivalents at beginning of the year (Refer note 12)	265.67	307.60
Cash and cash equivalents at the end of the period (Refer note 12)	788.36	265.67

Components of Cash & Cash Equivalents :-
Balances with banks

In Cash Credit Account	569.63	204.65
In Current Accounts	218.73	61.02
	788.36	265.67

Note:

The above Cash Flow Statement has been prepared under "Indirect Method" as set out in Indian Accounting Standards (Ind AS 7) - Statement of Cash Flows.

As per our report of even date attached

For **K C MEHTA & CO LLP**

Chartered Accountants

(Firm's Registration No. : 106237W/W100829)

Neela R. Shah

Partner

Membership No. 045027

For and on behalf of the Board of Directors

Eimco Elecon (India) Limited

CIN : L29199GJ1974PLC002574

Mukulnarayan Dwivedi

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Executive Director

DIN : 00037394

Vishal C. Begwani

Chief Financial Officer

Rikenkumar Dalwadi

Company Secretary

Place : Vallabh Vidyanagar

Date : 18th April, 2024

Place : Vallabh Vidyanagar

Date : 18th April, 2024

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2024

A. Equity Share Capital (₹ in Lakhs)

Particulars	Amount
Balance as at 01-April-2022	576.84
Additions/(Reductions)	-
Balance as at 31-March-2023	576.84
Additions/(Reductions)	-
Balance as at 31-March-2024	576.84

B. Other Equity

	Capital Reserve	General Reserve	Security premium	Retained Earnings	Total Equity
Balance as at 1-April- 2022	2.91	22,443.45	753.83	9,507.00	32,707.20
Profit for the year	-	-	-	1,952.49	1,952.49
Other comprehensive income for the year*	-	-	-	(19.19)	(19.19)
Total Comprehensive income for the year	-	-	-	1,933.30	1,933.30
Dividend	-	-	-	(144.21)	(144.21)
Balance as at 31-March-2023	2.91	22,443.45	753.83	11,296.10	34,496.29
Profit for the year	-	-	-	3,854.76	3,854.76
Other comprehensive income for the year*	-	-	-	(22.41)	(22.41)
Total Comprehensive income for the year	-	-	-	3,832.35	3,832.35
Dividend	-	-	-	(288.42)	(288.42)
Balance as at 31-March-2024	2.91	22,443.45	753.83	14,840.03	38,040.22

* Remeasurement of Defined Benefit Plans

The accompanying notes form an integral part of the standalone financial statements.

1-46

As per our report of even date attached

For **K C MEHTA & CO LLP**

Chartered Accountants

(Firm's Registration No. : 106237W/W100829)

Neela R. Shah

Partner

Membership No. 045027

For and on behalf of the Board of Directors

Eimco Elecon (India) Limited

CIN : L29199GJ1974PLC002574

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Chief Financial Officer

Rikenkumar Dalwadi

Company Secretary

Place : Vallabh Vidyanagar

Date : 18th April, 2024

Place : Vallabh Vidyanagar

Date : 18th April, 2024

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-March-2024

1. CORPORATE INFORMATION

Eimco Elecon (India) Limited ('the Company') is a public limited company domiciled and incorporated in India having its registered office at Anand Sojitra Road, Vallabh Vidyanagar, Dist. Anand, Gujarat, India, Gujarat - 388 120. The Company's shares are listed on the Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE') in India. The Company is engaged in the business of Manufacturing of Equipment for Mining and Construction sector.

The consolidated financial statements are approved by the Company's Board of directors on 18-April-2024.

1.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act as amended from time to time.

1.2 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Group's Financial Statements for the year ended 31st March, 2024 comprises of the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement, Statement of Changes in Equity and the Notes to Financial Statements.

All values are rounded off to the nearest two decimal lakh except otherwise stated.

The Group has consistently applied accounting policies to all periods presented in these financial statements.

Principles of Consolidation

Equity accounted investees

The Group's interests in equity accounted investees comprise interests in associates.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence ceases.

2. Material Accounting Policy information

2.1 Basis of measurement

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

- Certain financial assets - measured at fair value (refer accounting policy regarding financial instruments),
- Net defined benefit (asset) / liability – measured at fair value of plan assets less present value of defined benefit obligations.

2.2 Operating cycle and classification of current and non-current:

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, the same has been assumed to have duration of twelve months. Accordingly, all the assets and liabilities are classified as current and 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.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

2.3 Fair value Measurement

The Company measures financial instruments at fair value at each balance sheet date.

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

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

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

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

External values are involved for valuation of significant assets, such as properties and involvement of external valuers is decided upon the Management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, Management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

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

2(a) Property, plant and equipment (PPE)

Items of property, plant and equipment are measured at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost of PPE comprises of its purchase price or its construction cost (net of applicable tax credit, trade discount and rebate if any), Exchange rate variations attributable to the assets and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

intended by the management. Direct costs are capitalized until the asset is ready for use and includes borrowing cost capitalised in accordance with the Company's accounting policy.

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and impairment losses, if any. Freehold land is not depreciated.

The cost of the assets not ready for intended use at the balance sheet date is disclosed under 'Capital work-in-progress'.

Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the net sales/disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Company has availed fair value as deemed cost on the date of transition to Ind AS for Buildings & Plant & Machinery and for other assets as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para 7AA of Ind AS 101.

Depreciation

Depreciation is provided using written down value method over the estimated useful life of PPE prescribed under Part C of Schedule II to the Companies Act 2013 is as under.

Assets	Year
Buildings	3-60 years
Furniture & Fixture	10 years
Vehicles	8 years
Office Equipment	5 years

Depreciation is provided using straight line method over the estimated useful life of PPE prescribed under Part C of Schedule II to the Companies Act 2013 is as under.

Asset	Useful life
Road (Included in Building)	10 years
Plant & Equipment	15 years
Computers (Included in Office Equipment)	3-6 years
Electrical fittings	10 years
Jigs	3-15 years

The management believes that these estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used. Useful life based on technical assessment is as under.

Asset	Useful life
Plant and Machinery	15-25 Years

Depreciation methods, useful lives and residual values are reviewed on an annual basis, and if necessary, changes in estimates are accounted for prospectively.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding ₹ 5,000/- which are fully depreciated at the time of addition.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Right-of-use assets (Leasehold Land) including Leasehold improvements are depreciated on a straight-line basis over the lease term or useful life of the underlying asset, whichever is less.

2(b) Investment properties

Investment properties comprise of land and buildings that are held for long term lease rental yields and/ or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on Investment property is provided on the written down value basis over useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act 2013 as below:

Asset	Useful life
Investment Properties	25-40 years

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes.

Derecognition:

An investment property is derecognized on disposal or on permanent withdrawal from use or when no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

2(c) Intangible assets

Intangible assets with finite useful life acquired separately are recognized only if it is probable that future economic benefits that are attributable to the assets will flow to the enterprise and the cost of assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Amortisation is recognised on a straight-line basis over their estimated useful lives from the date they are available for use. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The management estimates the useful life of assets as under:

Assets	Year
Technical Knowhow	7 years
Software	7 years

Subsequent expenditures are capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Intangible assets are derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognised in the Statement of Profit and Loss when the asset is derecognized.

The Company has elected to continue with the carrying value of its Intangible assets recognised as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para 7AA of Ind AS 101.

2(d) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventories comprises of cost of purchase (net of recoverable taxes), cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

Inventory cost formula is as under

Inventories	Basis of Valuation and Cost Formula
Raw material	Landed cost at weighted average basis
Raw Material in Transit	At Cost on basic price
Work in Progress	Raw material, labour and appropriate proportion of manufacturing expenses and overheads as per stage of completion at weighted average.
Finished Goods (including Finished goods in transit)	Raw material, labour and appropriate proportion of manufacturing expenses and overheads at weighted average.

2(e) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2(f) Impairment

Impairment of financial assets

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 credit - impaired.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. The Company follows a 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Company is not required to track changes in credit risk. Rather, it recognised impairment loss allowance based on lifetime Expected credit losses ("ECL") together with appropriate Management's estimate of credit loss at each reporting date, from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the group of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. 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 shortfall (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 customer 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.

Impairment of non-financial assets

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price or value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2(g) 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.

2(h) Financial Instruments

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

h.1 Financial Assets

a) Initial recognition and measurement

All financial assets, except investment in Associates, Perpetual /Corporate Bonds and trade receivables, are recognised at fair value, through profit and loss account. In the case of financial assets not recorded at fair value through profit or loss, are recognised at transaction costs that are attributable to the acquisition of the financial assets.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- (a) Financial assets at amortised cost
- (b) Financial assets at fair value through other comprehensive income (FVTOCI)
- (c) Financial assets at fair value through profit or loss (FVTPL)
- (d) Equity instruments measured at fair value through profit or loss (FVTPL)

Financial assets at amortised cost

A financial assets is measured at the amortised cost if:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if:

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

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Financial assets at fair value through profit or loss

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has other investments at FVTPL.

After initial measurement, such financial assets are subsequently measured at fair value with all changes recognised in the Statement of profit and loss.

Equity Instruments

All equity instruments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

Derecognition of financial assets

A financial asset is derecognised when:

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred assets and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

2(i) Revenue and Income recognition:

➤ Revenue from Contracts with Customers

Revenues from sale of goods or services are recognised upon transfer of control of the goods or services to the customer in an amount that reflects the consideration which the company expects to receive in exchange for those goods or services.

Revenue is measured at the transaction price of the consideration received or receivable duly adjusted for variable consideration & customer's right to return the goods and the same represents amounts receivable

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

for goods and services provided in the normal course of business. Revenue also excludes taxes collected from customers. Any retrospective revision in prices is accounted for in the year of such revision.

Revenue is recognised at a point in time on accrual basis as per the terms of the contract, when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

When sales discount and rebate arrangements result in variable consideration, appropriate estimates are made and estimated variable consideration is recognised as a deduction from revenue at the point of sale (to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not be required). The Company typically uses the expected value method for estimating variable consideration, reflecting that such contracts have similar characteristics and a range of possible outcomes.

The contract asset or a contract liability is recognised when either party to a contract has performed, depending on the relationship between the entity's performance and the customer's payment. When the company has a present unconditional rights to consideration, it is recognised separately as a receivable.

➤ **Export Incentives**

Export incentives (Duty Drawback Scheme benefits) are accrued in the year when the right to receive the same is established in respect of exports made and are accounted to the extent there is no significant uncertainty about the measurability and ultimate realization/ utilization of such benefits/ duty credit.

➤ **Interest Income**

Interest on investments is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

➤ **Dividend Income**

Dividend income is recognised when the right to receive the same is established.

➤ **Other Income**

Other income is recognised on accrual basis except when realization of such income is uncertain.

2(j) **Employee benefits**

a) **Short Term Employee Benefits**

Short term employee benefits such as salaries, wages, short term compensated absences, bonus, ex-gratia and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the service are recognised as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employee to the company.

b) **Post-Employment Benefits**

(i) **Defined contribution plan**

A defined contribution plan is a post-employment benefit plan under which 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 statement of profit and loss in the periods during which the related services are rendered by employees.

(ii) **Defined benefit plan**

Defined benefit plans is a post-employment benefit plan other than a defined contribution plan comprising of gratuity is recognized based on the present value of defined benefit obligation, which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted as current employee cost.

Net interest on the net defined liability is calculated by applying the discount rate at the beginning of

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

the period to the net defined benefit liability or asset and is recognised the Statement of Profit and Loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Other long term employment benefits:

The employee's long term compensated absences are Company's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognise the obligation on the net basis.

2(k) Leases

The Company assesses whether a contract contains a lease, at the inception of the 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.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of Property, Plant and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value and is not intended for sublease. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is premeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

When the lease liability is premeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments have been classified as financing activities.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Operating lease

Rental income arising from operating leases is recognised on a straight-line basis over the terms of relevant lease except the case where incremental lease reflects inflationary effect and rental income is accounted in such case by actual rent for the year.

2(l) Foreign Currency Transactions

Transactions in foreign currencies are initially recorded at the spot exchange rate on the date the transaction. Monetary items denominated in foreign currencies outstanding at the end of the reporting period, are translated at the rates of exchange prevailing at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign currencies at period end exchange rate are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Functional and Presentation Currency

The consolidated financial statements are presented in Indian Rupees (INR), which is also the Company's presentation and functional currency.

2(m) Income taxes

Income tax expense represents the sum of the current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent items recognised directly in equity or in OCI

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realized.

2(n) Provisions, Contingent Liabilities & Contingent Assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

Contingent Liabilities

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless the possibility of an outflow of resources embodying economic benefit is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Warranty provisions

Product warranty expenses are estimated by the management on the basis of technical evaluation and past experience. Provision is made for estimated liability in respect of warranty cost in the period of recognition of revenue.

Contingent Assets

Contingent assets are not recognised in financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the assets and related income are recognised in the period in which the change occurs.

2(o) Statement of cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

2(p) Earnings per share (EPS)

Basic EPS is calculated by dividing the profit / (loss) for the year attributable to ordinary equity holders by the weighted average number of equity shares outstanding during the year, adjusted for bonus elements in equity shares issued during the year.

Diluted EPS is calculated by dividing the profit / (loss) attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. The company did not have any potential dilutive securities in the years presented.

2.4. Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty

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

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

- Impairment of Assets.
- Allowance of Expected credit Loss
- Identification of performance obligation in revenue recognition

Fair value measurement

In measuring the fair value of certain assets and liabilities for financial reporting purpose, the Company uses market observable data to the extent available. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Allowance for uncollectible trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Individual trade receivables are written off when management deems them not to be collectible.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Warranty Provision

The company generally offers 12-18 months warranties for the product sold. Management estimates the related provision for future warranty claims based on historical warranty claim information as well as recent trends that might suggest that past cost information may differ from future claims. The assumptions made in relation to the current period are consistent with those in the prior periods. Factors that could impact the estimated claim information include the success of the company's productivity and quality initiatives.

Property, plant and equipment

Refer Note 2.2 (f) for the estimated useful life of Property, plant and equipment. The carrying value of Property, plant and equipment has been disclosed in Note 3 .

Litigations

From time to time, the Company is subject to legal proceedings and the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgment is made when evaluating, among other factors, the probability of unfavourable outcome and the liability to make a reasonable estimate of the amount of potential loss. Provision for litigations are reviewed at the end of each accounting period and revisions made for the changes in facts and circumstances.

2.5. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Particulars	(₹ in Lakhs)									
	Land Freehold	Buildings, Roads etc.	Plant & Equipment	Furniture & Fixture	Vehicles	Office Equipment	Electrical Fittings	Jigs	ROU Asset	Total
Cost										
As at 1-April-2022	3,113.25	2,006.98	3,220.98	359.56	371.58	1,384.17	177.09	148.53	1,056.24	11,838.38
Additions	-	57.63	6.92	-	-	82.34	-	-	70.04	216.93
Adjustments	-	-	73.54	-	28.11	5.77	-	78.09	70.02	255.53
As at 31-March-2023	3,113.25	2,064.61	3,154.36	359.56	343.47	1,460.74	177.09	70.44	1,056.26	11,799.78
Additions	-	46.93	20.02	-	4.09	105.06	-	-	2.59	178.69
Adjustments	-	-	701.42	40.27	14.06	99.63	-	-	71.70	927.08
As at 31-March-2024	3,113.25	2,111.54	2,472.96	319.29	333.50	1,466.17	177.09	70.44	987.15	11,051.39
Depreciation and Impairment										
As at 1-April-2022	-	1,096.27	2,184.21	301.33	300.72	1,075.61	128.48	129.57	129.75	5,345.94
Depreciation for the year	-	144.25	134.77	15.08	18.45	157.40	6.65	2.60	43.25	522.45
Adjustments	-	-	67.36	-	23.41	5.67	-	72.62	70.02	239.08
As at 31-March-2023	-	1,240.52	2,251.62	316.41	295.76	1,227.34	135.13	59.55	102.98	5,629.31
Depreciation for the Period	-	149.08	119.99	11.17	12.14	123.07	6.65	2.47	42.69	467.26
Deductions	-	-	666.41	40.22	10.64	99.28	-	-	71.70	888.25
As at 31-March-2024	-	1,389.60	1,705.20	287.36	297.26	1,251.13	141.78	62.02	73.97	5,208.32
Net Block										
As at 31-March-2024	3,113.25	721.94	767.76	31.93	36.24	215.04	35.31	8.42	913.18	5,843.07
As at 31-March-2023	3,113.25	824.09	902.74	43.15	47.71	233.40	41.96	10.89	953.28	6,170.47

For details of PPE given as security against borrowings. Refer Note: 12
Ageing Schedule of CWIP

Year ended on	Total		
	Less than 1 year	1 to 2 year	2 to 3 year
As at 31-March-2024			
Project in progress	8.43	-	-
Project temporarily suspended	-	-	-
As at 31-March-2023			
Project in progress	52.27	-	-
Project temporarily suspended	-	-	-

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)****Note 4 : Investment Property (at Cost)**

Particulars	(₹ in Lakhs)
Cost	
As at 1-April-2022	524.12
Additions	-
Deductions	-
As at 31-March-2023	524.12
Additions	-
Deductions	-
As at 31-March-2024	524.12
Accumulated depreciation	
As at 1-April-2022	229.21
Depreciation for the year	15.88
Deductions	-
As at 31-March-2023	245.09
Depreciation for the year	14.94
Deductions	-
As at 31-March-2024	260.03
Carrying amount	
As at 31-March-2024	264.09
As at 31-March-2023	279.03
Fair Value	
As at 31-March-2024	1,064.40
As at 31-March-2023	1,043.74

Information regarding income and expenditure of Investment Properties

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Rental income derived from Investment Properties	54.83	49.65
Direct operating expenses (including repairs and maintenance) generating rental income	5.42	19.33
Direct operating expenses (including repairs and maintenance) that did not generate rental income	6.27	-
Profit / (Loss) arising from investment properties before depreciation and indirect expenses	43.14	30.32
Less : Depreciation	14.94	15.88
Profit/(Loss) arising from investment properties before indirect expenses	28.20	14.44

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

The fair values of the properties are based on market valuations performed by a Registered Valuer, as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017, by applying valuation model recommended by the International Valuation Standards Committee at the year end.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

The valuation of investment property as at 31st March, 2024 and 31st March, 2023 is done based on market feedback on values of similar properties and hence considered under "Level 2" of fair value measurement.

Note 5 : Intangible Assets

(₹ in Lakhs)

Particulars	Software license	Technical Knowhow	Total
Cost			
As at 1-April-2022	391.25	1,923.60	2,314.85
Additions	41.50	83.62	125.12
Deductions	-	-	-
As at 31-March-2023	432.75	2,007.22	2,439.97
Additions	-	337.60	337.60
Deductions	-	-	-
As at 31-March-2024	432.75	2,344.82	2,777.57
Amortisation and Impairment			
As at 1-April-2022	373.44	665.63	1,039.07
Addition			
Amortisation for the year	7.35	234.50	241.85
Deductions	-	-	-
As at 31-March-2023	380.79	900.13	1,280.92
Amortisation for the year	12.20	252.06	264.26
Deductions	-	-	-
As at 31-March-2024	392.99	1,152.19	1,545.18
Net Block			
As at 31-March-2024	39.76	1,192.63	1,232.39
As at 31-March-2023	51.96	1,107.09	1,159.05

Note 6 : Investments

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Non- Current Invesments		
I. In Equity Shares		
A. In Associate (At Cost)		
Unquoted:	-	237.40
Nil Equity Shares (31-March-2023: 5,10,000 Equity Shares) of ₹ 10/- each of Eimco Elecon Electrical Limited		
Total	-	237.40

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Particulars	31-March-2024	31-March-2023
B. In Others:		
Investment designated at fair value through profit or loss		
Quoted		
7000 equity Shares(31-March-2023:7000 Equity Shares) of ₹ 10/- each of Aditya Birla Capital Limited	12.28	10.75
Total	12.28	10.75
238 equity Shares(31-March-2023:238 Equity Shares) of ₹ 10/- each of GOL Offshore Limited	0.02	0.02
500 equity Shares(31-March-2023:500 Equity Shares) of ₹ 5/- each of Charotar Gas Sahakari Mandali Limited	0.03	0.03
Total	0.05	0.05
Total	12.33	10.80
II. In Debentures or bonds:		
Investment at fair value through profit or loss		
Quoted		
Corporate Bonds and Debentures - Quoted	840.37	772.77
REIT and InvIT funds -Quoted	750.28	597.40
Total	1,590.65	1,370.17
III. In Mutual Funds		
Investment at fair value through profit or loss		
Unquoted		
Mutual Fund	13,542.50	12,356.75
Total	13,542.50	12,356.75
IV. In Bonds		
Amortised at cost		
Corporate Bonds - Quoted	2,161.28	2,668.09
Total	2,161.28	2,668.09
Fair value	2,198.81	2,501.10
Total	17,306.76	16,643.21
Aggregate value of quoted investments	3,764.23	4,049.03
Aggregate market value of quoted investments	3,801.76	3,882.04
Aggregate value of unquoted investments	13,542.53	12,594.18

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Note 7 : Other Financial Assets

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Unsecured, considered good Security Deposits	132.32	160.31
Total	132.32	160.31

Note 8 : Other non current Assets

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Capital advance	23.15	-
Prepaid Expenses	1.77	-
Total	24.92	0.00

Note 9 : Inventories

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Raw materials (including in transit ₹ 11.11 Lakhs P.Y. Nil)	5,805.18	5,228.28
Work-in-progress	2,707.09	1,315.23
Finished goods (including in transit ₹ 43.55 Lakhs P.Y. ₹670.09 Lakhs)	66.30	1,335.22
Total	8578.57	7878.73

For details of inventories given as security against borrowings. Refer Note: 12

Note 10 : Investments

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Mutual Fund -Unquoted	664.26	-
Total	664.26	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)
Note 11 : Trade Receivables

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Secured, considered good	-	390.46
Unsecured, considered good	9,437.21	5,012.33
Less : Allowance for expected credit loss *	(59.46)	(119.65)
Total Trade and other receivables	9,377.75	5,283.14

*Allowance for Expected Credit Loss is calculated based on the ECL model as described under Ind AS 109. Refer Note 2(f) and Note 36(b) for the Company's accounting policy and basis of calculating ECL allowance.

Movement in allowance for expected credit loss :

Particulars	31-March-2024	31-March-2023
Opening balance	119.65	90.64
Allowance / (Reversal) for the year	-	29.01
Less: Reversal of the allowance	(60.19)	-
Balance at the end of the year	59.46	119.65

The ageing schedule of trade receivables as of the reporting date is as follow:

Trade Receivable	Outstanding						Total
	Not Due	Less than 6 Months	6 Months to 1 Year	1 year to 2 year	2 year to 3 year	More than 3 Year	
31-March-2024							
Undisputed							
Considered good	5,896.99	3,429.11	5.81	69.26	36.04	-	9,437.21
Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Provision for expected credit loss	-	-	-	-	-	-	(59.46)
Total Trade Receivable	5,886.56	-	5.43	55.13	21.46	-	9,377.75

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

(₹ in Lakhs)

Trade Receivable	Outstanding						Total
	Not Due	Less than 6 Months	6 Months to 1 Year	1 year to 2 year	2 year to 3 year	More than 3 Year	
31-March-2023							
Undisputed							
Considered good	4,354.03	866.01	58.08	56.95	34.06	33.66	5402.79
Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Provision for expected credit loss	-	-	-	-	-	-	(119.65)
Total Trade Receivable	4,354.03	866.01	58.08	56.95	34.06	33.66	5,283.14

For details of receivables given as security against borrowings. Refer Note: 12

Note 12 : Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
(a) Balance with Bank		
Balance with Bank		
In current accounts	218.73	61.02
In cash credit account	569.63	204.65
Total cash and cash equivalents	788.36	265.67
(b) Other bank balance		
In earmarked accounts		
Unpaid dividend accounts *	13.61	15.30
Total	13.61	15.30

* These balances represents unclaimed dividend amount which is earmarked for payment of dividend and can not be used for any other purpose

Securities

Note: The company has availed fund and non-fund based credit facilities from banks which are secured by first charge on the stock and book debts and all other current assets (in case of SBI Bank and Axis Bank) and a second charge on factory land, building, plant and machinery and all other fixed assets in case of SBI.

Note 13 : Other Financial Assets

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Interest Receivable	54.98	68.34
Total	54.98	68.34

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)
Note 14 : Current Tax Assets (Net)

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Advance Tax	1,138.60	871.05
Less: Provision for income tax	1,100.07	725.40
Total	38.53	145.65

Note 15 : Other Current Assets

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Advance to suppliers	303.58	328.24
Balances with Government Authorities (including amount paid under protest)	330.32	377.38
Prepaid current employee benefits (Gratuity) (Refer Note No. 40)	55.20	20.94
Prepaid Expenses	19.45	29.83
Total	708.55	756.39

Note 16 : Equity Share capital

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Authorised share capital		
10,000,000 Equity shares of ₹ 10/- each	1,000	1,000
	1,000	1,000
Issued, subscribed and fully paid up		
Issued 57,68,386 (P.Y. 57,68,386) Equity Shares of ₹ 10/- each	576.84	576.84
Subscribed and Paid up 57,68,385 (P.Y. 57,68,385) Equity shares of ₹ 10/- each	576.84	576.84
Issued but not subscribed 1 Equity share of ₹ 10/-	-	-
Total	576.84	576.84

Note 16.1.: Reconciliation of shares outstanding at the beginning and at the end of the Reporting period

(₹ in Lakhs)

Particulars	31-March-2024		31-March-2023	
	No. of shares	Amount	No. of shares	Amount
Equity Shares				
At the beginning of the year	57,68,385	576.84	57,68,385	576.84
Issued/Reduction, if any during the year	-	-	-	-
Outstanding at the end of the year	57,68,385	576.84	57,68,385	576.84

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Note 16.2 : Rights preferences and restrictions attached to Equity Shares:

The Company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 16.3 : Number of Shares held by each shareholder holding more than 5% Shares in the Company

Particulars	31-March-2024		31-March-2023	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Equity Shares of ₹ 10/- each fully paid up (Previous year ₹ 10/- each fully paid up)				
Aakaash Investments Private Limited	14,36,858	24.91	14,36,858	24.91
Elecon Engineering Company Limited	9,58,426	16.62	9,58,426	16.62
K B Investments Private Ltd.	3,88,515	6.74	3,88,515	6.74
Tamrock Great Britain Holding Ltd.	14,47,875	25.10	14,47,875	25.10

Note 16.4 : Shares held by the Promotor and Promotor Group in the Company

Particulars	No of Share on 31.03.24	% of Total Shares	% Change during the year	No of Share on 01.04.23	% of Total Shares
Aakaash Investments Private Limited	14,36,858	24.91	-	14,36,858	24.91
Elecon Engineering Company Limited	9,58,426	16.62	-	9,58,426	16.62
K B Investments Private Limited	3,88,515	6.74	-	3,88,515	6.74
Power Build Private Limited	16,050	0.28	-	16,050	0.28
Prayasvin Bhanubhai Patel	17,796	0.31	-	17,796	0.31
Taruna P. Patel	5,000	0.09	-	5,000	0.09
Prashant C. Amin	1,275	0.02	-	1,275	0.02
Tamrock Great Britain Holding Ltd.	14,47,875	25.10	-	14,47,875	25.10

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Note 17 : Other Equity (₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Note 17.1 Reserves & Surplus		
1. Capital Reserve	2.91	2.91
2. Securities premium	753.83	753.83
3. General reserve	22,443.45	22,443.45
4. Retained earnings		
Surplus in Statement of Profit and Loss		
Balance as per last Balance Sheet	11,296.10	9,507.00
Add: profit for the year	3,854.76	1,952.49
Add / (Less): OCI for the year	(22.41)	(19.19)
	15,128.45	11,440.31
Less: Appropriations :		
Dividend on equity shares	288.42	144.21
Balance carried forward	14,840.03	11,296.10
Total	38,040.22	34,496.29

Note 17.2 : Dividend distribution made and proposed

Particulars	31-March-2024	31-March-2023
Cash dividends on Equity shares declared and paid		
Final dividend for year ended 31-March-2023 ₹ 5/- per share 31-March-2022 ₹ 2.5 per share)	288.42	144.21
	288.42	288.42
Proposed dividends on Equity shares		
Final cash dividend proposed for the year ended 31-March-2024		
₹ 5/- per share (31-March-2023: ₹ 5/- per share)	288.42	288.42
Total	288.42	288.42

Proposed dividend on equity shares is subject to approval at the annual general meeting and is not recognised as a liability as at 31-March-2024.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Note 17.3 : Description of reserves

1. Capital reserve

Capital reserve is of capital nature. Capital reserves are not freely available to distribute among share holders as the dividend.

2. Securities premium

Security 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.

3. General reserve

General Reserve represents appropriation of retained earning and are available for distribution to shareholders.

4. Retained earnings

Retained earning represents surplus/accumulated earning of the Company and is available for distribution to shareholders.

Note 18 : Lease Liabilities

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Non-current		
Lease liability	13.33	23.52
Total Non current financial liabilities	13.33	23.52
Current		
Lease liability	27.51	40.19
Total Current financial liabilities	27.51	40.19
Total	40.84	63.71

Note 19 : Provisions

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Non-Current		
Provision for employee benefits (Refer Note 30)	8.02	13.68
Total	8.02	13.68

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)
Note 20 : Trade payables

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Current		
Trade payables		
Due to micro and small enterprises	592.65	377.18
Others	2,126.33	1,455.41
Total	2,718.98	1,832.59

Details of Dues to Micro, Small and Medium Enterprises as defined under MSMED Act 2006

Particulars	31-March-2024	31-March-2023
Principal amount remaining unpaid to any supplier as at the end of accounting year	592.65	377.18
Interest due thereon	-	-
Amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
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 period) but without adding the interest specified under the MSMED Act 2006.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting period.	-	-
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.	-	-

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Company and which qualify under the definition of Micro and Small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the Financial statement as at 31-March-2024 based on the information received and available with the Company. On the basis of such information, no interest is payable to any micro and small enterprises.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

The ageing schedule of trade payable as of the reporting date is as follow:

(₹ in Lakhs)

Trade Payable	Not Due	Outstanding				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 Year	
31-March-2024						
MSME	592.65	-	-	-	-	592.65
Others	1,942.96	183.37	-	-	-	2,126.33
Disputed Dues -MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-

(₹ in Lakhs)

Trade Payable	Not Due	Outstanding				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 Year	
31-March-2023						
MSME	377.18	-	-	-	-	377.18
Others	1,393.01	62.40	-	-	-	1455.41
Disputed Dues -MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-

Note 21 : Other Financial liabilities

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Non Current		
Security Deposits	43.48	43.48
Unpaid dividend	13.61	15.30
Payable in respect of capital goods	-	35.36
Total	57.09	94.14

Note 22 : Other Current liabilities

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Advance from Customers	2,316.33	496.55
Payable in respect of capital goods	-	-
Statutory Liabilities	452.96	529.11
Total	2,769.29	1,025.66

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Note 23 : Provisions

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Provision for employee benefits (Refer Note 30)	9.84	17.27
Provision for warranty	287.91	249.29
Total	297.75	266.56

Provision for warranty

A provision for warranties relates mainly to standard warranty on sale of the product manufactured by the Company. The provision is based on technical evaluation, historical warranty data and a weighting of all possible outcomes by their associated probabilities.

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
As on 01st April	249.29	103.20
Addition during the year	287.91	249.29
Utilization during the year	301.00	230.62
Short / (Excess) during the year	51.71	127.42
AS on 31st March	287.91	249.29

Note 24 : Revenue from operations

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Sale of Products		
Domestic Sales	22,175.50	17,053.37
Export Sales	339.19	46.79
	22,514.69	17,100.16
Other operating revenue		
Sale of Scrap	152.81	102.63
Duty Draw Back Claim	5.47	1.41
Windmill Electricity Income	77.31	66.91
	235.59	170.95
Total	22,750.28	17,271.11

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Note 25 : Other Income

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Other Income		
Interest Income	215.49	290.82
Dividend Income	23.41	18.41
Rent Income	65.43	58.22
Profit on sale of investments	52.56	0.07
Loss on sale of investment of Associate	(21.14)	-
Gain on fair valuation of investments	1,281.01	466.51
Insurance claim	4.89	41.88
Exchange Fluctuations (Net)	32.68	28.49
Total	1,654.33	904.40

Note 26 : Cost of materials consumed

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Inventory at the beginning of the year	5,228.28	3,256.20
Add : Purchases	9,246.07	6,660.39
	14,474.35	9,916.59
Less : Inventory at the end of the year	5,805.18	5,228.28
Total	8,669.17	4,688.31

Note 27 : Purchases of stock-in-trade

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Purchase of traded goods	3,037.82	3,124.98
Total	3,037.82	3,124.98

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)
Note 28 : Changes in inventories of finished goods and work-in-progress

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Inventory at the beginning of the year		
Work-in-progress	1,315.23	1,881.32
Finished Goods	1,335.22	1,956.18
	2,650.45	3,837.50
Inventory at the end of the year		
Work-in-progress	2,707.09	1,315.23
Finished Goods	66.30	1,335.22
	2,773.39	2,650.45
Total	(122.94)	1,187.05

Note 29 : Manufacturing Expense

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Stores, Tools and Spares Consumed	268.71	252.30
Power and Fuel	111.28	90.27
Labour charges	342.69	322.35
Total	722.68	664.92

Note 30 : Employee benefits expense

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Salaries and wages	1,702.37	1,395.66
Contribution to Provident and other Funds	83.30	85.42
Employees' Welfare Expense	40.68	44.74
Total	1,826.35	1,525.82

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Note 31 : Finance costs

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Interest Expense	0.95	8.36
Interest on lease liability	4.19	7.56
Other Finance Costs	89.20	34.19
Total	94.34	50.11

Note 32 : Other Expenses

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Lease Rentals	77.33	27.69
Computer Software Charges	248.55	196.46
Rates & Taxes	144.55	125.19
Repairs and Maintenance :		
- Building	95.05	20.66
- Machinery	273.90	272.46
- Others	60.59	121.16
Insurance	64.85	48.20
Travelling Expense	119.58	98.06
Sitting Fees	12.24	11.42
Commission to Non-Executive Directors	24.00	18.00
Packing, Forwarding & Distribution Expenses (Net of Recoveries)	220.59	172.14
Warranty Claim Replacement (Refer Note No.23)	287.91	249.29
Bad Debts Written Off	8.12	32.56
Provision for Doubtful Debt	(60.19)	10.87
Advertisements & Sales Promotion Expenses	57.99	22.12
Payment to Auditors (Refer Note Below)	7.60	6.13
Expenditure on Corporate Social Responsibility (Refer Note No.43)	21.40	4.63
Donations	-	6.00
Professional Consultancy Fees	106.76	112.29
General Administrative Charges	359.43	380.19
Loss on sale of asset (Net)	22.22	5.05
Total	2,152.47	1,940.57

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)
Note 32 : Finance costs (Contd...)

(₹ in Lakhs)

Payment to Auditors (Net of tax)

Particulars	31-March-2024	31-March-2023
Statutory Auditors		
Audit fees	3.70	3.35
For other service (Limited review, certification etc.) *	1.28	1.27
Reimbursement of expenses	0.53	0.51
Tax auditor		
Tax audit fees	0.75	-
Cost auditor		
Cost audit fees	0.55	0.45
For other service (certification etc.)	0.05	-
Secretarial Auditor		
Secretarial Audit fees	0.50	0.50
For other service (certification etc.)	0.24	0.05
Total	7.60	6.13

* Previous year amount includes ₹17,000 related to previous auditor

Note 33 : Tax Expense

(₹ in Lakhs)

The major component of income tax expense for the years ended 31-March-2024 and 31-March-2023 are :

Particulars (For the Year Ended)	31-March-2024	31-March-2023
Statement of Profit and Loss		
Current tax		
Current tax	921.00	727.50
Adjustment of tax relating to earlier years	5.78	(11.56)
Deferred tax		
Relating to origination and reversal of temporary difference	27.00	(154.07)

Pursuant to the introduction of Section 115BAA of the Income Tax Act, 1961 vide Taxation Laws (Amendment) Act, 2019 the Company had an option to pay corporate income tax at the rate of 22% plus applicable surcharge and cess (lower rate) as against the earlier rate of 25% plus applicable surcharge and cess, subject to certain conditions. Considering all the provisions under said section 115BAA of the Income Tax Act, 1961, during the year ended March 31, 2024 the Company had decided to avail the option of lower rate with effect from the financial year 2023-24. Accordingly, the Company has recognized provision for tax expenses during the year and measured its net Deferred Tax liabilities on the basis of the provision prescribed in the said section.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended 31-March-2024 and 31-March-2023

(₹ in Lakhs)

Particulars (For the Year Ended)	31-March-2024	31-March-2023
Accounting profit before tax from continuing operations	4,994.94	2,648.62
Tax @ 25.17% (31 March 2023- 29.12%)	1,257.23	771.28
Adjustment for		
Exempted income	(25.47)	(51.93)
Expense disallowed/(Allowed)	(27.16)	7.58
Standard deduction on rent income	(4.51)	(4.77)
Depreciation, capital gain on assets	(10.09)	(13.28)
Tax rate difference of income on investments	(242.00)	(135.45)
Taxes of prior years	5.78	(11.56)
At the effective income tax rate of 19.09% (31-March, 2023 : 21.22%)	953.78	561.87

B) Deferred tax liability (Net)

(₹ in Lakhs)

Incompliance of Ind AS 12 on "Income Taxes", the item wise details of Deferred Tax Liabilities (net) are as under :

Particulars	As on 1-April-2023	Provided during the year in statement of Profit and Loss	Provided during the year in OCI	Balance as on 31-March-2024
Deferred Tax Liability				
Related to Property Plant and Equipments	543.19	(85.20)	-	457.99
Fair valuation of investments	73.53	98.40	-	171.93
Lease liabilities	1.78	(0.17)	-	1.61
Total Deferred Tax Liability	618.50	13.03	-	631.53
Deferred Tax Asset				
43B disallowances (net)	31.52	(5.28)	(7.54)	44.34
Provision for Expected Credit Loss	34.21	19.25	-	14.96
Others	44.68	-	-	44.68
	110.41	13.97	(7.54)	103.98
Net deferred tax	508.09	27.00	(7.54)	527.55

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)
B) Deferred tax

(₹ in Lakhs)

Particulars	As on 1-April-2022	Provided during the year in statement of Profit and Loss	Provided during the year in OCI	Balance as on 31-March-2023
Deferred Tax Liability				
Related to Property Plant and Equipments	610.17	(66.98)	-	543.19
Fair valuation of investments	153.09	(79.56)	-	73.53
Lease liabilities	2.63	(0.85)	-	1.78
Total Deferred Tax Liability	765.89	(147.39)	-	618.50
Deferred Tax Asset				
43B disallowances (net)	26.21	1.14	(6.45)	31.52
Provision for Expected Credit Loss	26.39	(7.82)	-	34.21
Tax Adjustment (Others)	44.68	-	-	44.68
	97.28	(6.68)	(6.45)	110.41
Net deferred tax	668.61	(154.07)	(6.45)	508.09

Note 34 : Fair value disclosures for financial assets and financial liabilities

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(₹ in Lakhs)

Particulars	Carrying Amount		Fair Value	
	31-March- 2024	31-March- 2023	31-March- 2024	31-March- 2023
Financial assets				
Investments measured at fair value through profit or loss	15,809.74	13,737.72	15,809.74	13,737.72
Investments measured at amortised cost	2,161.28	2,905.49	2,198.81	2,738.50
Total	17,971.02	16,643.21	18,008.55	16,476.22

The management assessed that the fair values of cash and cash equivalents, other bank balance, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Note 35 : Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

Quantitative disclosures of fair value measurement hierarchy for financial assets as at 31-March-2024 and 31-March-2023

(₹ in Lakhs)

Particulars	Fair value measurement using						
	FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at 31-March-2024							
Investments	15,809.74	-	2,161.28	17,971.02	3,764.21	14,206.76	-
Trade receivables (Note 11)	-	-	9,377.75	9,377.75	-	-	-
Cash and cash equivalents (Note 12)	-	-	788.36	788.36	-	-	-
Other bank balance (Note 12)	-	-	13.61	13.61	-	-	-
Other financial assets (Note 7 & 13)	-	-	187.30	187.3	-	-	-
Total Financial Assets	15,809.74	-	12,528.30	28,338.04	3,764.21	14,206.76	-
Trade payable (Note no 20)	-	-	2,718.98	2,718.98	-	-	-
Other financial liabilities (Note no 21)	-	-	57.09	57.09	-	-	-
Lease liabilities (Note No 18)	-	-	40.84	40.84	-	-	-
Total Financial liabilities	-	-	2,816.91	2,816.91	-	-	-

(₹ in Lakhs)

Particulars	Fair value measurement using						
	FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at 31-March-2023							
Investments	13,737.72	-	2,905.49	16,643.21	4,049.01	12,356.75	-
Trade receivables (Note 11)	-	-	5,283.14	5,283.14	-	-	-
Cash and cash equivalents (Note 12)	-	-	265.67	265.67	-	-	-
Other bank balance (Note 12)	-	-	15.30	15.30	-	-	-
Other financial assets (Note 13)	-	-	228.65	228.65	-	-	-
Total Financial Assets	13,737.72	-	8,698.25	22,435.97	4,049.01	12,356.75	-
Trade payable	-	-	1,832.59	1,832.59	-	-	-
Other financial liabilities	-	-	94.14	94.14	-	-	-
Lease liabilities	-	-	63.71	63.71	-	-	-
Total Financial liabilities	-	-	1,990.44	1,990.44	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Note 36 : Financial instruments

The Company's principal financial liabilities comprise trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include Investments, trade and other receivables and cash & short-term deposits that derive directly from its operations.

The Company's activities expose it to market risk, credit risk and liquidity risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency exposures. Derivatives are used exclusively for hedging purposes and not as trading / speculative instruments. The Audit Committee/Board of Director has oversight in the area of financial risks and controls. It also covers policies on specific risk areas such as currency risk, interest rate risk and investment of surplus funds.

For risk management, management identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The management provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity.

The following disclosures summarize the Company's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables.

Within the various methodologies to analyse and manage risk, the Company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the Company. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of Profit and Loss may differ materially from these estimates due to actual developments in the global financial markets.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations and provisions.

The following assumption has been made in calculating the sensitivity analyses:

- The sensitivity of the relevant Statement of Profit or Loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31-March-2024 and 31-March-2023.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any borrowings with floating interest rate. Hence, the Company does not have any interest rate risk at present.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and in foreign currency, primarily in USD, GBP and EUR. Consequently, the Company has foreign currency trade payables and receivables etc. and is, therefore, exposed to foreign exchange risk. However, exposure to foreign currency is not material and hence, foreign currency risk is assessed by the Company is low.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

The carrying amount of unhedged foreign currency monetary liabilities at the end of the reporting period are as follow: (₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
USD	-	4.18
EUR	116.86	1.15

Foreign Currency Sensitivity:

The Company is principally exposed to foreign currency risk against USD and EUR. Sensitivity of profit or loss arises mainly from USD and EUR denominated payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR and EUR-IND currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below: (₹ in Lakhs)

USD sensitivity at year end	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Assets:		
Weakening of INR by 5%	-	-
Strengthening of INR by 5%	-	-
Liabilities:		
Weakening of INR by 5%	-	(0.21)
Strengthening of INR by 5%	-	0.21
EUR sensitivity at year end	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Assets:		
Weakening of INR by 5%	-	-
Strengthening of INR by 5%	-	-
Liabilities:		
Weakening of INR by 5%	(5.84)	(0.06)
Strengthening of INR by 5%	5.84	0.06

Equity price risk

The Company's investment consists of investments in publicly traded companies held for purposes other than trading. Such investments held in connection with non-consolidated investments represent a low exposure risk for the Company and are not hedged.

(b) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, and other financial instruments.

Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 30 days to 90 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 6. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The ageing analysis of trade receivables as of the reporting date is as follow:

(₹ in Lakhs)

Trade receivables as at	Not Due	Past due but not impaired				Total
		Less than 90 days	90 to 180 days	180 to 365 days	Above 365 days	
31-March-2024	5,896.99	2917.76	511.35	5.81	105.30	9437.21
Provision for expected credit loss						(59.46)
Trade Receivables						9377.75
31-March-2023	4,354.03	824.71	41.30	58.08	124.67	5402.79
Provision for expected credit loss						(119.65)
Trade Receivables						5283.14

The requirement of impairment is analysed as each reporting date.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties who meet the minimum threshold requirements under the counterparty risk assessment process. The Company monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk for the components of the Balance Sheet as on 31-March-2024 and 31-March-2023 is the carrying amount as disclosed in Note 34.

(c) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing, including bilateral loans, debt and overdraft from domestic banks at an optimised cost. It also enjoys strong access to domestic capital markets across equity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(₹ in Lakhs)

Particulars	On Demand	Less than 3 month	3 months to 1 year	1 year to 5 years	more than 5 years
Year ended 31-March-2024					
Trade payables	-	2,718.98	-	-	-
Lease liability	-	3.33	10.00	27.51	-
Other financial liabilities	57.09	-	-	-	-
Payable for capital goods	-	35.36	-	-	-
	57.09	2,757.67	10.00	27.51	-
Year ended 31-March-2023					
Trade payables	-	1,832.59	-	-	-
Lease liability	-	11.16	29.03	23.52	-
Other financial liabilities	58.78	-	-	-	-
Payable for capital goods	-	35.36	-	-	-
	58.78	1,879.11	29.03	23.52	-

Note 37 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance).

(₹ in Lakhs)

Particulars (For the Year Ended)	31-March-2024	31-March-2023
Total Debt	40.84	63.71
cash and cash equivalent (including other bank balance)	(801.97)	(280.97)
Net debt	(761.13)	(217.26)
Equity share capital	576.84	576.84
Other equity	38,040.22	34,496.29
Total Equity	38,617.06	35,073.13
Capital and net debt	37,855.93	34,855.87
Gearing ratio	-2%	-1%

1. Debt is defined as all Long Term and Short Term Debt outstanding + Current Maturity outstanding in lieu of Long Term Debt including Lease Liabilities.

2. Equity is defined as Equity Share Capital + Other Equity.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31-March-2024 and 31-March-2023.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)
Note 38 : Contingent liabilities

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Contingent liabilities not provided for		
a. Income tax demands disputed by the Company	25.76	202.37
b. Excise & Service tax demands disputed by the Company	560.21	702.20

Note: Above all figures are excluding unquantified interest payable wherever applicable and outflow of funds, if any, would depend upon the outcome of the dispute / contingency.

Note 38 : Capital commitments

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Capital commitments		
Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of Advance)	238.52	371.69

Note 40 : Disclosure pursuant to Employee benefits
A. Defined contribution plans:

Amount of ₹ 65.84 Lakhs (31-March- 2023: ₹ 67.77 Lakhs) is recognised as expenses and included in Note No. 21 "Employee benefit expense"

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
Provident Fund	62.29	62.52
Superannuation Fund	3.55	5.25
	65.84	67.77

B. Defined benefit plan:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

31-March-2024 : Changes in defined benefit obligation and plan assets

(₹ in Lakhs)

	Gratuity cost charged to statement of profit and loss			Remeasurement gains/(losses) in other comprehensive income					31-March-2024			
	01-April-2023	Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 21)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions		Experience adjustments	Sub-total included in OCI	Asset Transfer In/ Transfer Out
Gratuity												
Defined benefit obligation	321.28	18.74	24.48	43.22	(72.73)	-	6.43	18.56	24.99	0.32	-	317.08
Fair value of plan assets	342.22	-	26.08	26.08	-	(4.96)	-	-	(4.96)	-	-	372.28
Benefit liability/(Asset)	(20.94)	18.74	(1.60)	17.14	(72.73)	4.96	6.43	18.56	29.95	0.32	(8.95)	(55.20)
Total benefit liability/(asset)	(20.94)	18.74	(1.60)	17.14	(72.73)	4.96	6.43	18.56	29.95	0.32	(8.95)	(55.20)

31-March-2023 : Changes in defined benefit obligation and plan assets

(₹ in Lakhs)

	Gratuity cost charged to statement of profit and loss			Remeasurement gains/(losses) in other comprehensive income					31-March-2023			
	01-April-2022	Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 21)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions		Experience adjustments	Sub-total included in OCI	Asset Transfer In/ Transfer Out
Gratuity												
Defined benefit obligation	317.83	18.99	22.53	41.52	(61.53)	-	(9.52)	33.73	24.21	(0.75)	-	321.28
Fair value of plan assets	325.88	-	23.10	23.10	(7.33)	(1.42)	-	-	(1.42)	-	-	342.22
Benefit liability / (assets)	(8.05)	18.99	(0.57)	18.42	(54.20)	1.42	(9.52)	33.73	25.63	(0.75)	(1.98)	(20.94)
Total benefit liability/(assets)	(8.05)	18.99	(0.57)	18.42	(54.20)	1.42	(9.52)	33.73	25.63	(0.75)	(1.98)	(20.94)

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	Year ended 31-March-2024 (%) of total plan assets	Year ended 31-March-2023 (%) of total plan assets
Insured fund	100%	100%
(%) of total plan assets	100%	100%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

(₹ in Lakhs)

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended 31-March-2024	Year ended 31-March-2023
Discount rate	7.26%	7.62%
Future salary increase	7.26%	7.00%
Expected rate of return on plan assets	7.00%	7.62%
Attrition rate	2.00%	2.00%
Mortality rate during employment	Indian assured lives Mortality 2012-14 (Urban)	Indian assured lives Mortality 2012-14 (Urban)

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

(₹ in Lakhs)

Particulars	(increase) / decrease in defined benefit obligation (Impact)		
	Sensitivity level	Year ended 31-March-2024	Year ended 31-March-2023
Discount rate	1% increase	(17.06)	(16.18)
	1% decrease	19.78	18.59
Salary increase	1% increase	19.64	18.52
	1% decrease	(17.25)	(16.41)
Attrition rate	1% increase	(0.04)	0.47
	1% decrease	0.00	(0.56)

The followings are the expected future benefit payments for the defined benefit plan :

(₹ in Lakhs)

Particulars	Year ended 31-March-2024	Year ended 31-March-2023
Gratuity		
Within the next 12 months (next annual reporting period)	101.55	72.86
Between 2 and 5 years	95.55	144.13
Between 6 and and 10 years	76.17	89.27
Beyond 11 years	300.01	269.47
Total expected payments	573.28	575.73

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	31-March-2024 Year	31-March-2023 Year
Gratuity	7	7

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

The followings are the expected contributions to planned assets for the next year: (₹ in Lakhs)

Particulars	Year ended 31-March-2024	Year ended 31-March-2023
Gratuity	-	-

C. Other Long Term Employee Benefit Plans**Leave encashment / Compensated absences**

Salaries, Wages and Bonus include ₹ (0.31) Lakhs [Previous Year ₹ (2.76) Lakhs] towards provision made as per actuarial valuation in respect of accumulated leave encashment/compensated absences.

Note 41 : Related Party Transactions

Related party disclosures as required by Indian Accounting Standard (Ind AS 24) "Related Party Disclosures" are as under:

I. Names of the related parties :**(a) Where Control Exists:- control / influence****Associates**

Eimco Elecon Eletricals Limited (up to 12th July, 2023)

(b) Key Management Personnel (KMP):**Directors**

Shri Pradip M, Patel, Non Executive Director and Chairman

Shri Mukulnarayan Dwivedi, Executive Director

Shri Prayasvin B. Patel, Executive Director

Shri Prashant C. Amin, Non Executive Director - Nominee Director

Shri Venkatraman Srinivasan, Non Executive Director - Independent Director (w.e.f. 24th April, 2023)

Shri Nirmal P. Bhogilal, Non Executive Director - Independent Director

Smt. Manjuladevi P. Shroff, Non Executive Director - Independent Director

Ms. Reena Bhagwati, Non Executive Director - Independent Director

Executive Officers

Shri Vishal C. Begwani, Chief Financial Officer

Shri Rikenkumar Dalwadi, Company Secretary

(c) Entities in which KMP and their relatives have significant influences:

Eimco Elecon Eletricals Limited (w.e.f. 13th July, 2023)

EMTICI Engineering Limited

EMTICI Marketing LLP

Prayas Engineering Limited

Elecon Information Technology Ltd.

Akkaish Mechatronics Limited

Speciality Woodpack Pvt. Ltd.

Elecon Peripherals Limited

K B Investment Private Limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Akaaishpra Infracon Pvt. Ltd.
Jamco Consultants Pvt. Ltd.
Kirloskar Power Build Gears Ltd.
Akaaish Investments Pvt. Ltd.
Tech Elecon Pvt. Ltd.
Elecon Hydraulics Pvt. Ltd.
Vijay M. Mistry Construction Private Limited.
Elecon Australia Pty. Limited.
Elecon Africa Pty. Limited.
Elecon Singapore Pte. Limited.
Elecon Middle East FZE, UAE
Elecon Engineering (Suzhou) Co Limited
Radicon Transmission UK Limited
Radicon Drive System Inc. (formaly known as Elecon USA Trasnmission Limited)
Benzlers System, AB
AB Benzlers
Benzler Italia s.r.l., Italy
Banzler Transmission A.S (Denmark)
OY Benzler AB (Finland)
Benzler Antriebstechnik GMBH, Germany
Benzler TBA BV, Netherlands
Radicon Transmission FZE, UAE
Radicon Transmission (Thailand) Limited
Radicon Transmission System (Thailand) Limited
Radicon Transmission (Australia) Pty. Limited.
Desmin Agencies
Naman Integrated Management services Pvt. Ltd.
Modsonic Instruments Manufacturing Company Private Limited
NHR Technologies Private Limited
B.I.Patel Charitable Trust
I.B.Patel Charitable Trust
Lotus Trust
Madhubhan Organic Farm
Mount Pleasant
Savita Chhaya Foundation
Alemonia Life Sciences LLP

(d) Collaborators

Sandvik AB Sweden
Tamrock Great Britain Holding Limited

(e) Post employment benefit plan

Eimco Employees Gratuity S.
Eimco Emp Super Annuity SH

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

II. Transactions with related parties:

(₹ in Lakhs)

Sr. No.	Nature of Transactions	Year Ended	Associates		Key Management Personnel		Entities in which KMP or their Relatives have Significant Influence		Total	
			March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
1.	Sale of Goods	Elecon Engineering Co. Ltd.					114.83	75.48	114.83	75.48
		Speciality Woodpack Pvt. Ltd.					-	-	-	-
		Eimco Elecon Electricals Pvt. Ltd.					0.70	-	0.70	-
		Elecon Hydraulics Pvt. Ltd.					2.92	-	2.92	-
		Vijay M. Mistry Construction Pvt. Ltd.					69.47	20.32	69.47	20.32
		Emtici Marketing LLP					-	0.72	-	0.72
		Akaaish Mechatronics Ltd.					-	940.00	-	940.00
2.	Purchase of goods	Elecon Engineering Co Ltd					668.01	517.61	668.01	517.61
		Power Build Pvt. Ltd					7.98	0.96	7.98	0.96
		Elecon Peripherals Limited					0.09	0.52	0.09	0.52
		Elecon Hydraulics Pvt. Ltd.					94.83	32.13	94.83	32.13
		EMTICI Engineering Ltd					19.13	-	19.13	-
		Emtici Marketing LLP					27.52	-	27.52	-
		Tech Elecon Pvt. Ltd.					2.38	-	2.38	-
		Akaaish Mechatronics Ltd					8.98	-	8.98	-
		Prayas Engineering Ltd.					0.34	-	0.34	-
		Speciality Woodpack Pvt Ltd					18.10	14.00	18.10	14.00
Eimco Elecon Electricals Pvt Ltd					192.82	100.24	192.82	100.24		
3.	Purchase of Fixed assets	Tech Elecon Pvt. Ltd.					34.45	71.05	34.45	71.05
4.	Sale of PPE	Elecon Engineering Co Ltd					-	1.40	-	1.40
5.	Rendering of services	Elecon Engineering Co Ltd					-	4.58	-	4.58
		EMTICI Marketing LLP					1.41	-	1.41	-
6.	Availing of services	Elecon Engineering Co Ltd					0.76	18.94	0.76	18.94
		Elecon Information Technology Ltd					7.77	7.08	7.77	7.08
		Akaaish Mechatronics Ltd					157.11	144.96	157.11	144.96
		EMTICI Engineering Ltd					28.99	46.78	28.99	46.78
		Wizard Fincap					-	25.86	-	25.86
		Tech Elecon Pvt. Ltd.					258.09	171.23	258.09	171.23
		Jamko Consultants Pvt. Ltd.					-	0.01	-	0.01
		EMTICI Marketing LLP					1.79	26.42	1.79	26.42
		Power Build Pvt. Limited					31.01	21.83	31.01	21.83
		Naman Integrated Management services Pvt. Ltd.					1.65	-	1.65	-
7.	Rent expense	Elecon Engineering Co. Ltd.					35.40	14.92	35.40	14.92
		EMTICI Engineering Ltd.					54.01	52.44	54.01	52.44
		Tech Elecon Pvt. Ltd.					3.48	-	3.48	-
8.	Rent Income	Elecon Engineering Co. Ltd.					5.40	0.32	5.40	0.32
9.	Dividend Paid	Tamrock Great Britain Holdings Limited					72.39	36.20	72.39	36.20
		Elecon Engineering Co Ltd					47.92	23.96	47.92	23.96
		EMTICI Engineering Ltd.					-	20.46	-	20.46
		K.B. Investment Private Limited					19.43	9.72	19.43	9.72
		Bipra Investment & Trusts Private Limited					-	4.71	-	4.71
		Elecon Information Technology Ltd					-	3.69	-	3.69
		Devkishan Investments Private Limited					-	3.02	-	3.02
Akkaish Mechatronics Limited					-	3.11	-	3.11		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

II. Transactions with related parties: (Contd...)

(₹ in Lakhs)

Sr. No.	Nature of Transactions	Year Ended	Associates		Key Management Personnel		Entities in which KMP or their Relatives have Significant Influence		Total	
			March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
		Power Build Private Limited					0.80	0.40	0.80	0.40
		Akaaish Investment Pvt. Ltd.					71.84	-	71.84	-
		Taruna Patel					0.25	0.13	0.25	0.13
		Prayasvin Patel					0.89	0.45	0.89	0.45
		Prashant C. Amin					0.06	0.03	0.06	0.03
10	Dividend Received	Eimco Elecon Eletrical Limited					86.70	142.80	86.70	142.80
11	Sale of Investment	Aakaish Investments Private Limited					131.02	-	131.02	-
12	CSR and Donation	B. I. Patel Charitable Trust					15.00	4.63	15.00	4.63
13	Commission on Sales	EMTICI Marketing LLP					1,910.48	1,416.21	1,910.48	1,416.21
14	Remuneration paid	Shri P.M. Patel			6.72	5.62			6.72	5.62
		Shri P.B. Patel			62.88	62.88			62.88	62.88
		Shri P.C. Amin			5.32	4.32			5.32	4.32
		Shri Nirmal Bhogilal			6.72	4.92			6.72	4.92
		Shri Nalin M. Shah			0.00	4.96			-	4.96
		Shri Venkatraman Srinivasan			5.92	0.00			5.92	-
		Smt. Manjuladevi Shroff			6.04	5.58			6.04	5.58
		Ms. Reena Bhagwati			5.52	4.02			5.52	4.02
		Shri Mukul Dwivedi			64.49	47.15			64.49	47.15
		Shri Vishal Begwani			49.03	40.44			49.03	40.44
		Shri Riken Dalwadi			11.03	8.40			11.03	8.40
	Post employment benefits	Short-term employee benefits			187.42	173.15			187.42	173.15
		Post employment benefits			32.85	26.09			32.85	26.09
		Amount outstanding								
	Outstanding Payables	Elecon Engineering Company Limited					47.11	53.13	47.11	53.13
		Shri Mukul Dwivedi			8.00	8.00			8.00	8.00
		Shri P.M. Patel			3.60	2.70			3.60	2.70
		Shri P.C. Amin			3.60	2.70			3.60	2.70
		Shri Nirmal Bhogilal			3.60	2.70			3.60	2.70
		Shri Nalin M. Shah			0.00	2.70			-	2.70
		Shri Venkatraman Srinivasan			3.60	0.00			3.60	-
		Smt. Manjuladevi Shroff			3.60	2.70			3.60	2.70
		Ms. Reena Bhagwati			3.60	2.70			3.60	2.70
		Elecon Peripheals Limited					0.05	-	0.05	-
		EMTICI Engineering Limited					33.58	0.91	33.58	0.91
		Elecon Information Technology Limited					-	-	-	-
		Akkaish Mechatronics Limited					0.76	-	0.76	-
		Speciality Woodpack Pvt. Ltd.					0.09	0.99	0.09	0.99
		Power Build Pvt. Limited					2.99	2.08	2.99	2.08
		Elecon Hydraulics Pvt. Ltd.					0.37	(1.29)	0.37	(1.29)
		Jamko Consultants Pvt. Ltd.					-	-	-	-
		EMTICI Marketing LLP					389.72	409.80	389.72	409.80
		Eimco Elecon Eletrical Limited					29.62	26.76	29.62	26.76

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)
II. Transactions with related parties: (Contd...)

(₹ in Lakhs)

Sr. No.	Nature of Transactions	Year Ended	Associates		Key Management Personnel		Entities in which KMP or their Relatives have Significant Influence		Total	
			March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Outstanding Receivables	Elecon Engineering Company Limited Elecon Hydraulics Pvt. Ltd. Vijay M. Mistry Construction Pvt. Ltd.					20.75 0.86 -	12.67 - 2.25	20.75 0.86 -	12.67 - 2.25
	Investment	Eimco Elecon Eletrical Limited	-	51.00					-	51.00
	Commitments						950.32	246.72	950.32	246.72

Note 42 : Earning per share

(₹ in Lakh except EPS)

Particulars	31-March-2024	31-March-2023
Earing per share (Basic and Diluted)		
Profit attributable to ordinary equity holders (In Lakhs)	3,854.76	1,952.49
Total No. of Equity Shares at the end of the year	57,68,385.00	57,68,385.00
Weighted average number of equity shares		
For basic EPS	57,68,385.00	57,68,385.00
For diluted EPS	57,68,385.00	57,68,385.00
Nominal value of Equity Shares	10.00	10.00
Basic earning per share	66.83	33.85
Diluted earning per share	66.83	33.85

Note 43 : Corporate social responsibility expenditure

(₹ in Lakhs)

Particulars	31-March-2024	31-March-2023
(a) Gross amount required to be spent by the Company during the year (2% of Avg Net Profit as per Section 135(5))	20.45	7.04
(b) Amount spent during the year		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above - In Cash	21.40	4.63
(c) Set Off Available from Previous Years	-	2.41
(d) Set Off available for succeeding years	0.95	-
(e) Reason for shortfall	Not Applicable	Not Applicable
(f) Nature of CSR activity	*	*
(g) Details of Related party transaction**	15.00	4.63
(h) Amount approved by the Board to be spent during the year	20.45	7.04
(i) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement in the provision during the year	Not Applicable	Not Applicable

* Promoting healthcare.

** Represents contribution to B. I. Patel Charitable Trust towards promoting education and healthcare related activities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Note 44 : Other Amendments with respect to Schedule III

1. The company does not have any Benaim property, where any proceeding has been initiated or pending against the company for holding any Benaim property.
2. The company is not declared as wilful defaulter by any bank or financial Institution or other lender.
3. There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
4. The company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
5. The company have not traded or invested in Crypto currency or Virtual Currency during the year.
6. The company does not have any transactions with companies struck off.
7. The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
8. The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
9. The company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
10. The previous year's figures have been regrouped / rearranged wherever necessary to make it comparable with the current year.

Note 45 : The Company operates in one segment i.e. Machinery and Spares

Note 46 : The previous year's figures have been regrouped / rearranged wherever necessary to make it comparable with the current year.

As per our report of even date attached

For **K C MEHTA & CO LLP**

Chartered Accountants

(Firm's Registration No. : 106237W/W100829)

Neela R. Shah

Partner

Membership No. 045027

For and on behalf of the Board of Directors

Eimco Elecon (India) Limited

CIN : L29199GJ1974PLC002574

Mukulnarayan Dwivedi

Executive Director

DIN : 08442155

Prayasvin B. Patel

Executive Director

DIN : 00037394

Vishal C. Begwani

Chief Financial Officer

Rikenkumar Dalwadi

Company Secretary

Place : Vallabh Vidyanagar

Date : 18th April, 2024

Place : Vallabh Vidyanagar

Date : 18th April, 2024

EIMCO ELECON (INDIA) LTD.

Anand Sojitra Road, Vallabh Vidyanagar - 388 120. Gujarat, India.
Tel.: (02692) 230502, 230602, 230902 Telefax: (02692) 236506
E-mail : investor@eimcoelecon.in | Website: www.eimcoelecon.in
CIN : L29199GJ1974PLC002574

