

17<sup>TH</sup> ANNUAL REPORT

2023-2024

GOOD IDEAS!  
FOR LUXURY LIVING !!

Date: 03<sup>rd</sup> September, 2024

To,

**BSE Limited**  
Corporate Relation Department  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai -400001

**National Stock Exchange Limited**  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G-Block,  
Bandra-Kurla Complex, Bandra (East)  
Mumbai -400051

SCRIP CODE: 539331; VETO

Dear Sir/Madam,

**SUB: Annual Report for FY 2023-24 along with Notice of AGM**

In terms of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, we enclose herewith copy of **17<sup>th</sup> Annual Report of Veto Switchgears And Cables Limited** for the Financial Year 2023-24, along with the Notice of 17<sup>th</sup> Annual General Meeting of the Company scheduled to be held on **28.09.2024**.

The aforesaid documents are also available on the website of the Company at [www.vetoswitchgears.com](http://www.vetoswitchgears.com)

Kindly concede with the same.

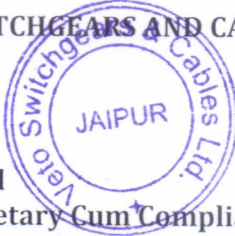
Thanking You.

Yours faithfully,

For VETO SWITCHGEARS AND CABLES LIMITED

*Kritika*

**Kritika Todwal**  
Company Secretary Cum Compliance Officer  
ACS: 60917



Encl: As above



**SINCE 1967  
ALL ELECTRICAL SEGMENT**



**Celebrating 55 Years  
of Excellence**

Switch to Smart Living



## VETO SWITCHGEARS AND CABLES LIMITED

Regd. Office: 506, 5<sup>th</sup> Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West), Mumbai, Maharashtra-400058;  
CIN: L31401MH2007PLC171844;  
Tel No.: 0141-6667777/750;  
Website: www.vetoswitchgears.com;  
Email: cs@vetoswitchgears.com

**Notice** is hereby given that the 17<sup>th</sup> Annual General Meeting (AGM) of the members of **VETO SWITCHGEARS AND CABLES LIMITED** will be held on Saturday, the **September 28<sup>th</sup>, 2024 at 03:00 P.M. through Video Conferencing (VC) or Other Audio Visual Means (OAVM)** for such purpose the registered office would be deemed venue for the meeting and the proceedings of the AGM shall be deemed to be made thereat, to transact the following business:

### **ORDINARY BUSINESS:**

- 1. To receive, consider and adopt the audited financial statements of the company (including audited consolidated financial statements) for the financial year ended on 31<sup>st</sup> March 2024 together with the Reports of the Board of Directors and Auditors thereon.**
- 2. To declare a Final Dividend of Rs. 1/- per equity share having face value of Rs. 10/- each aggregating to 10% of F.V., for the financial year ended on 31<sup>st</sup> March 2024.**
- 3. To Re-appoint Mr. Akshay Kumar Gurnani (DIN: 06888193) Whole Time Director of the Company, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible offers herself for re-appointment.**
- 4. Appointment of SGCO & CO. LLP, Chartered Accountants as Statutory Auditors of the Company.**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of Audit Committee and the Board of Directors, M/s. SGCO & CO. LLP, Chartered Accountants (Firm Registration No.112081W / W100184) be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a term of five consecutive years from the conclusion of the 17<sup>th</sup> Annual General Meeting (AGM) until the conclusion of the 22<sup>nd</sup> AGM of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors and the Statutory Auditors.

**RESOLVED FURTHER THAT** the Board or duly constituted Committee of the Board, be and is hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution.”

### **SPECIAL BUSINESS:**

- 5. To Re-appointment of Mr. Hari Krishan Motwani (DIN: 08570545) as an Independent Director for a Second Term**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:**



**“RESOLVED THAT** pursuant to the provisions of Section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time and recommended by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee, Mr. Hari Krishan Motwani (DIN: 08570545), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (Five ) consecutive years on the Board of the Company upto the conclusion of the Annual General Meeting to be held in calendar year after expiration of the said term.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall include any committee(s) constituted or to be constituted by the Board to exercise the powers conferred on the Board by this Resolution) be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution.”

#### **6. To recommendation for Re-Appointment of Cost Auditor**

The Chairperson informed the members of the Audit Committee for re-appointment of M/s Rajesh & Company, Cost Accountants as the Cost Auditors to audit the Cost records of the Company for the Year 2024-2025. The Audit Committee also recommended the remuneration of the Cost Auditor. In this regard following resolution was passed unanimously:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if, any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, subject to the approval of the Board, the consent of the members of the Committee be and is hereby given for re-appointment of M/s Rajesh & Company, Cost Accountants be appointed as Cost Auditors by the Board of Directors of the Company to audit the Cost records of the Company for the Financial Year 2024-2025, be paid a remuneration of Rs. 15000/- plus Service Tax.

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

#### **7. To recommendation for Re-Appointment of Secretarial Auditor**

The Chairperson informed the members of the Audit Committee regarding the re-appointment of Mr. Govind Jaiswal, Practicing Company Secretary in the capacity of the Secretarial Auditor in the Company, subject to the Board approval over such appointment and the appointment letter of Mr. Govind Jaiswal and passed the following Resolution in this regard:

**“RESOLVED THAT** pursuant to the provisions of Section 204(1) of the Companies Act 2013 read with rule 9 of the Companies (Appointment and Remuneration personnel) Rules 2014 and other applicable provisions if any of the Companies Act 2013, and subject to the approval of the Board, the consent of the members of the Committee be and is hereby given for re-appointment of Mr. Govind Jaiswal ,Practicing Company Secretary as Secretarial Auditors of the Company and Directors of the Company be and is hereby authorized to state such terms and conditions as may be deemed fit, and to fix the remuneration in consultation with Audit Committee.

**RESOLVED FURTHER THAT** any of the Directors of the Company be and is hereby authorized to file necessary forms with Registrar of Companies and to do all such act, deeds and things as may be considered necessary to give effect to the above said resolution.”

#### **8. To recommendation for Re-Appointment of Internal Auditor**

The Chairperson informed the members of the Audit Committee regarding the re-appointment of Mr. Kunal Sanghi, in the capacity of the Internal Auditor in the Company, subject to the Board approval over such appointment and the appointment letter of Mr. Kunal Sanghi and passed the following Resolution in this regard:

“**RESOLVED THAT** be and is hereby, as per the provision of section 138 of the Companies Act, 2013 (“the Act”) to be read with applicable rules & regulations, as amended from time to time, and subject to the approval of the Board, the consent of the members of the Committee accorded its approval for an appointment of Mr Kunal Sanghi as an Internal Auditor of the Company for the Financial Year 2024-25.

**RESOLVED FURTHER THAT** the Audit Committee of the company, in consultation with the Internal Auditor, shall formulate the scope, functioning, periodicity and methodology for conducting the internal audit.

**RESOLVED FURTHER THAT** Mr. Akshay Kumar Gurnani, Director of the Company be and is hereby authorized, on behalf of the company, to do all such acts, deeds, matters and things as deem necessary, proper and desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution”

#### **9. To Shifting of a Registered office of the Company from jurisdiction of one ROC to Jurisdiction of another ROC within same state:-**

“**RESOLVED THAT**, pursuant to the provisions of Sections 12 and all other applicable provisions, if any, of the Companies Act 2013, read with relevant rules made thereunder, and subject to the approval of Regional Director, the Registered Office of the Company be shifted from **506, 5<sup>th</sup> Floor, Landmark Building, Link Road, Andheri (W), Mumbai – 400053** to **Sagar Signature Complex India, Est. Pre, Co-operation Society Limited, Near IPOL, Valiv Phata, Vasai East, District Palghar – 401208** within the state of Maharashtra.

**RESOLVED FURTHER THAT** Mr. Akshay Kumar Gurnani, Director of the Company, is hereby authorized to file all the necessary forms with the Registrar of Companies and Regional Director and to undertake all necessary actions, deeds, matters, and tasks required to implement the aforementioned Resolution.

**RESOLVED FURTHER THAT** changes in the location of the registered office of the company be reflected on the nameplates or boards affixed at the registered office, as well as on the letterheads, official publications, and documents of the company.”

#### **10. Reclassification of Promoters**

“**RESOLVED THAT** pursuant to Regulation 31A of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and subject to approval from Bombay Stock Exchange Limited and National Stock Exchange of India Limited (“Stock Exchanges”) and such other authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), consent of members of the Company be and is hereby accorded for reclassification of Mrs. Priyanka Kishore Gurnani Category to “Public” Category and removal of their name from “Promoter and Promoter Group” of the company.

**RESOLVED FURTHER THAT** the above applicant confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with and also confirmed that post re-classification from “Promoter and Promoter Group” to “Public”, shall continue to comply with conditions mentioned Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**RESOLVED FURTHER THAT** upon receipt of requisite approvals, the Company shall effect such reclassification in the Shareholding Pattern of the Company from immediate succeeding “quarter” as per Regulation 31 of Listing Regulations and in all other records of the Company and shall make such applications, intimations, disclosure and/or filings as may be relevant or necessary from such date, as may be appropriate.

**RESOLVE FURTHER THAT** Mr. Akshay Kumar Gurnani, Chairman & Managing Director and/or Mrs. Kritika Todwal, Company Secretary and Compliance Officer of the Company be and are hereby severally authorized to sign any document(s) or do any or all such acts, deeds and things as they may, in their absolute discretion, deem necessary or desirable, and to settle any question(s), difficulty or doubt that may arise, in order to give effect to the above resolution for and on behalf of the Company.”

**Regd. Office:**

**By order of the Board**

**506, 5th Floor Plot No. B-9, Landmark Building**

**New Link Road, Andheri (West),**

**Mumbai, Maharashtra 400058**

**Place: Jaipur**

**Date: 03<sup>rd</sup> September 2024**

**For Veto Switchgears and Cables Limited**

**Sd/-**

**Akshay Kumar Gurnani**

**(DIN: 06888193)**

**(Managing Director & CEO)**

## NOTES

1. The Ministry of Corporate Affairs (MCA) vide its General Circular No. 14/2020 dated April 8<sup>th</sup>, 2020, General Circular No. 17/2020 dated April 13<sup>th</sup>, 2020, General Circular No. 20/2020 dated May 5<sup>th</sup>, 2020, General Circular no. 02/2021 dated January 13<sup>th</sup>, 2021, General Circular no. 19/2021 dated December 08<sup>th</sup>, 2021, General Circular no. 21/2021 dated December 14<sup>th</sup>, 2021, Circular No. 02/2022 dated 5<sup>th</sup> May, 2022, followed by Circular No. 10/2022 dated 28<sup>th</sup> December, 2022 (collectively “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12<sup>th</sup>, 2020, circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15<sup>th</sup>, 2021, followed by SEBI circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 (collectively “SEBI Circulars”), have permitted companies to conduct AGM through Video Conferencing (VC) or other audio-visual means (OAVM), subject to compliance of various conditions mentioned therein. In compliance with the aforesaid MCA Circulars and SEBI Circulars and the applicable provisions of Companies Act, 2013 and rules made there under, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 17<sup>th</sup> AGM of the Company is being convened and conducted through VC/OAVM Facility, which does not require physical presence of Members at a common venue.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Businesses specified above is annexed hereto.
3. Since 17<sup>th</sup> AGM is being held pursuant to the MCA Circulars through VC/OAVM, where there will be no physical attendance of members, the requirement of appointment of proxies pursuant to the provisions of Section 105 of the Act has been dispensed with. Accordingly, attendance slip and proxy form will not be annexed to this Notice.
4. Pursuant to the provisions of Sections 112 and 113 of the Act, Institutional/Corporate Members (i.e. other than individuals/ HUF/ NRI, etc.) are required to send a scanned copy of its Board Resolution/Authorization/POA etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting shall be sent to the Scrutinizer through the registered email address of the member(s) at **cs.compliancek@gmail.com** with a copy marked to the Company at **cs@vetoswitchgears.com**.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013 (the Act).
6. **Electronic Dispatch Of Notice And Annual Report:** In compliance with the aforesaid MCA and SEBI circulars physical copies of the financial statements (including Board’s Report, Auditor’s Report or other documents required to be attached therewith) for the Financial Year ended 31<sup>st</sup> March, 2024 pursuant to Section 136 of the Act and Notice calling the AGM pursuant to Section 101 of the Act read with the Rules framed thereunder are being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company/RTA or the Depositories as on the cut-off date of 30<sup>th</sup> August 2024. The Company will not be dispatching physical copies of such statements and Notice of AGM to any Member.

To support the ‘Green Initiative’, Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company/RTA in case the shares are held by them in physical form after complying due procedure.

7. Members who have not registered their e-mail address and those members who have become the member of the Company after 30<sup>th</sup> August 2024 being the cut-off date for sending soft copy of the Notice of 17<sup>th</sup> AGM and Annual Report for the financial year 2023-24, may access the same from Company's website at [www.vetoswitchgears.com](http://www.vetoswitchgears.com), websites of the Stock Exchange i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com), and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of CDSL (agency for providing the Remote e-Voting facility)[www.evotingindia.com](http://www.evotingindia.com).
8. Since the AGM will be held through VC / OAVM, the Route Map is not annexed with this Notice.
9. The relevant details, pursuant to Regulations 36 of the Listing Regulations and Secretarial Standards -2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment/retire by rotation at the AGM are provided as an annexure to the Notice and forms an integral part of this notice. Requisite declarations have been received from Director/s for seeking reappointment/appointment.
10. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
11. Pursuant to Provision of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Book of the Company will remain closed during the period commencing from **Sunday, September 22, 2024 to Saturday, September 28, 2024 (both days inclusive)** for the purpose of 17<sup>th</sup> Annual General Meeting and for determining the entitlement of members to final dividend for the financial year ended March 31<sup>st</sup>, 2024, if approved at the AGM.
12. The Dividend for the Year ended March 31<sup>st</sup>, 2024, as recommended by the Board, if approved at the AGM, will be paid within thirty days from the date of declaration of dividend to –
  - (a) as Members in respect of shares held in physical form after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company as of the close of business hours **on 21<sup>st</sup> September, 2024**, and
  - (b) Beneficial Owner as at the end of business hours **on 21<sup>st</sup> September, 2024**, as per the lists to be furnished by National Securities Depositories Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form.
13. TDS ON DIVIDEND: Pursuant to the Income-tax Act, 1961, as amended by the Finance Act, 2020, dividend income has become taxable in the hands of shareholders with effect from 1<sup>st</sup> April, 2020 and therefore, the Company shall be required to deduct tax at source (TDS) from dividend paid to shareholders at the prescribed rates. For the prescribed rates of various categories, shareholders are requested to refer to the Finance Act, 2021 and amendments thereof. Shareholders are requested to update their Residential Status, PAN, and Category as per the IT Act with the Company/RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Further, as per SEBI Circular dated April 20<sup>th</sup>, 2018

all securities holders holding securities in physical form should submit their PAN and Bank account details to the RTA.

15. Members who are holding shares in physical form are advised to submit particulars of their PAN details, e-mail address, Mobile Number, bank account, viz. name and address of the branch of the bank, MICR code of the branch, type of account and account number etc. to our Registrar and Share Transfer Agent in prescribed Form ISR-1 quoting their folio number and enclosing the self-attested supporting document and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3<sup>rd</sup>, 2021 read with SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.
16. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25<sup>th</sup>, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website [www.vetoswitchgears.com](http://www.vetoswitchgears.com) and on the website of the Company's Registrar and Transfer agents [www.bigshareonline.com](http://www.bigshareonline.com). It may be noted that any service request can be processed only after the folio is KYC Compliant.
17. SEBI vide its notification has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

Further, SEBI vide its circular dated 16th March, 2023 in supersession of earlier circular dated 3rd November, 2021, read with clarification dated 14th December, 2021 introduced common and simplified norms for processing investor's service request by Registrar and Transfer Agent(s) (RTAs) and norms for furnishing PAN, KYC details and Nomination. Accordingly, the RTA cannot process any service requests or complaints received from the holder(s) / claimant(s), till PAN, KYC and Nomination documents / details are updated. Moreover, on or after 1<sup>st</sup> October, 2023, in case any of the above cited documents / details are not available in the folios, RTA shall be constrained to freeze such folios. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing the aforesaid details. This communication was also intimated to the Stock Exchange and available on the website of the Company. In view of this requirement and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are once again requested to update their KYC details (through Form ISR-1, Form ISR-2 and Form ISR-3, as applicable) and consider converting their holdings to dematerialized form. Members can download Forms to make their service request with RTA from link



18. Members who are holding shares in demat mode are requested to notify any change in their residential address, Bank A/c details and/ or email address immediately to their respective Depository Participants.
19. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. Members who are either not desiring to register Nomination or would want to opt out, are requested to fill and submit Form No. ISR-3. The said forms can be downloaded from the RTA website at **www.bigshareonline.com**. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio no.
20. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
21. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred, under Section 124 of the Companies Act, 2013, to the Investor Education and Protection Fund ("IEPF"), established under Section 125 of the Companies Act, 2013. Further, pursuant to the provisions of Section 124 of the Act and IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.
22. Members who have not encashed the dividend warrants/demand drafts so far in respect of the unclaimed and unpaid dividends declared by the Company for the Financial Year 2015-16 and thereafter, are requested to make their claim to Registrar and Share Transfer Agent i.e. Bigshare Services Pvt. Ltd. well in advance of the last dates for claiming such unclaimed and unpaid dividends as specified hereunder:

<b>S. No.</b>	<b>Financial Year ended</b>	<b>Amount of Dividend</b>	<b>Date of Declaration of Dividend</b>	<b>Last date for Claiming unpaid/unclaimed</b>
1	2015-2016	0.50/- Per Share	18/01/2016 (Interim dividend)	Rs. 81740/- Transfer to IEPF
2	2015-2016	1.50/- Per share	28/09/2016 (Final Dividend)	Rs. 105363/- Transfer to IEPF
3	2016-2017	1.00/- Per share	13/02/2017 (Interim dividend)	Rs. 205355/- Transfer to IEPF

4	2016-2017	1.00/- Per share	29/09/2017 (Final Dividend)	04.11.2024
5	2020-2021	1.00/- Per share	29/09/2021 (Final Dividend)	04.11.2028
6	2021-2022	1.00/- Per share	28/09/2022 (Final Dividend)	03.11.2029
7.	2022-2023	1.00/- Per share	29/09/2023 (Final Dividend)	04.11.2030

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2024 on the website of the Company.

In accordance IEPF Rules, the Company has sent individual communication to all Members whose shares are due for transfer to the IEPF Authority and whose email IDs are available, informing them to claim their unclaimed/unpaid dividend before due date to avoid such transfer of shares to IEPF Authority and has also published notice in this regard in Newspapers.

Members whose unclaimed dividends/shares are/will be transferred to the IEPF Authority can claim the same by making an online application to the IEPF Authority in the prescribed Web Form IEPF-5 by following the refund procedure as detailed on the website of IEPF Authority <http://www.iepf.gov.in/IEPF/refund.html>.

23. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs, the Company is providing facility for voting by electronic means for all its Members to enable them to cast their vote electronically and the business may be transacted through such e-voting.

- A member may exercise his/her vote at the General Meeting by electronic means and the Company may pass any resolution by electronic voting system in accordance with the provisions of the aforesaid Rule.
- For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency.
- The facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by CDSL.
- The Members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- The Members who have cast their vote by remote e-voting prior to the Meeting may also attend the AGM but shall not be entitled to cast their vote again.

24. The remote e-voting period commences on **25<sup>th</sup> September, 2024, Wednesday (09.00 am) and ends on 27<sup>th</sup> September, 2024 Friday (05:00 pm).**

- Members of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e. 21<sup>st</sup> September, 2024**, Sunday may opt for remote e-voting and cast their vote electronically.
  - A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting at the Meeting.
  - Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and is holding shares as on the cut-off date i.e. **September 21<sup>st</sup>, 2024**, may obtain the login ID and password by sending a request at [evoting@cDSL.co.in](mailto:evoting@cDSL.co.in) However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote.
  - Once the vote on a resolution is cast by the members, he/she shall not be allowed to change it subsequently.
  - The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM through VC/ OAVM but shall not be entitled to cast their vote again in the Meeting.
  - At the end of remote e-voting period, the facility shall forthwith be blocked.
25. The Company has appointed Mr. Govind Jaiswal, Practicing Company Secretary (Membership No. ACS-52310; CP No.19954) to act as the scrutinizer for conducting the remote e-voting process as well as the e-voting during AGM in a fair and transparent
26. manner.
27. The Scrutinizer shall after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting and e-voting on the date of the AGM, and make, not later than 2 working days of the conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or any person authorized by him in writing and the Results shall be declared by the Chairman or any person authorized by him thereafter.
28. The results declared along with the scrutinizer's report shall be placed on the website of the Company [www.vetoswitchgears.com](http://www.vetoswitchgears.com), and CDSL's, website within two days of passing of resolution at the Annual general meeting of the company held on September 28<sup>th</sup>, 2024. The same shall be communicated by the Company to the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited.
29. The recorded transcript of the forthcoming AGM on 28<sup>th</sup> September, 2024, shall also be made available on the website of the Company [www.vetoswitchgears.com](http://www.vetoswitchgears.com) in the Investor Relations Section, as soon as possible after the Meeting is over.
30. The annual accounts of the subsidiary companies along with the related detailed information are available for inspection at the Corporate Office of the Company and of the subsidiaries concerned and copies will be made available to Shareholders of Veto switchgears and cables Limited and its subsidiary companies upon request.
31. Members desirous of obtaining any information concerning to the accounts are requested to write to the Company at least 12 days before the date of the meeting so that the required information can be made available at the meeting.
32. Queries proposed to be raised at the Annual General Meeting may be sent to the company by mailing the same at [cs@vetoswitchgears.com](mailto:cs@vetoswitchgears.com) at least **seven days** prior to the date of Annual General Meeting. The same shall be replied suitably by the Company.

**THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND EVOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

- (i) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. However, this number does not include the large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- (ii) The voting period begins on Wednesday, the 25<sup>th</sup> September 2024 9:00 A.M. and ends on Friday, the 27<sup>th</sup> September 2024 5:00 P.M. (both inclusive). 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 21<sup>st</sup> September 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (iii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iv) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/ retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

- (v) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9<sup>th</sup>, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:**

<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access E-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.**

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.



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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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**Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

- (vi) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  2. Click on “Shareholders” module.
  3. Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  4. Next enter the Image Verification as displayed and Click on Login.
  5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  6. If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (x) Click on the EVSN for the relevant <Veto Switchgears and Cables Limited> on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@vetoswitchgears.com](mailto:cs@vetoswitchgears.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. **Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@vetoswitchgears.com](mailto:cs@vetoswitchgears.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@vetoswitchgears.com](mailto:cs@vetoswitchgears.com). These queries will be replied to by the company suitably by email.**
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM 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 system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
11. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good Internet speed.
12. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

**If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.**

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL), Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-2308542/43.

**Regd. Office:**  
**By order of the Board**  
**506, 5<sup>th</sup> Floor Plot No. B-9, Landmark Building**  
**New Link Road, Andheri (West),**  
**Mumbai, Maharashtra 400058**

**For Veto Switchgears And Cables Limited**

**Sd/-**  
**Akshay Kumar Gurnani**  
**(DIN: 06888193)**  
**(Managing Director & CEO)**

**Place: Jaipur**  
**Date: 03<sup>rd</sup> September 2024**

## **EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **ITEM NO. 4: Appointment of Statutory Auditor.**

The Board of Directors of the Company recommended the appointment of M/s. SGCO & Co LLP, Chartered Accountants (Firm Registration No. 112081W / W100184) as the Statutory Auditors of the Company, shareholders' approval by way of ordinary resolution is sought.

M/s. SGCO & Co LLP, Chartered Accountants (Firm Registration No. 112081W / W100184), have conveyed their consent for being appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013 and shall satisfy the criteria as provided under section 141 of the Companies Act, 2013 and have given a certificate in prescribed form B declaring that firm complies with all eligibility norms prescribed by RBI regarding appointment of statutory auditors.

The Board of Directors of the Company recommends the passing of the resolution in Item No. 11 of the notice as an ordinary resolution.

None of the Directors or Key Managerial Persons of the Company (including their relatives), except to the extent of their shareholding in the Company are concerned or interested in the said resolution.

### **ITEM NO. 5: To Re-appointment of Mr. Hari Krishan Motwani (DIN: 08570545) as an Independent Director for a Second Term.**

In the opinion of the Board, Mr. **Hari Krishan Motwani** fulfils the conditions specified in the Act and he is independent of the management. The profile and specific areas of his expertise as required under SEBI (LODR) Regulations, 2015, is provided at the end of this notice. Keeping in view his vast expertise and knowledge, it was be in the interest of the Company that Mr. **Hari Krishan Motwani** is proposed to be appointed as an Independent Director of the Company for a period of 5 (Five) years with effect from September 28<sup>th</sup> 2024 and upto the conclusion of this Annual General Meeting of the Company. Further, the term shall not be subject to retirement by rotation. Accordingly, the tenure of Mr. **Hari Krishan Motwani (DIN: 08570545)** as an Independent Director is due for expire.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended re-appointment of Mr. **Hari Krishan Motwani (DIN: 08570545)** as an Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. **Hari Krishan Motwani (DIN: 08570545)** would be beneficial for the Company and it is desirable to continue to avail his services as an Independent Director.

Accordingly, it is proposed to re-appoint Mr. **Hari Krishan Motwani (DIN: 08570545)** as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company upto the conclusion of the Annual General Meeting to be held in calendar year after expiration of the said term.”

Mr. **Hari Krishan Motwani (DIN: 08570545)** is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has also received declaration from him that he meets the criteria of independence as prescribed under Section 149(6) of the Act and under regulation 16 (1) b and other applicable Regulation of the Securities and Exchange Board of India

(Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, he fulfills the conditions for appointment as an Independent Director as specified in the Companies Act, 2013 and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The brief profile of Mr. **Hari Krishan Motwani (DIN: 08570545)** who is proposed to be re-appointed as an independent director is annexed herewith separately with this notice. The Board of Directors have evaluated the performance of the Mr. **Hari Krishan Motwani (DIN: 08570545)** and details of the same is given in the Corporate Governance Report.

Except Mr. **Hari Krishan Motwani (DIN: 08570545)** none of the other Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution mentioned at Item No. 7 of the Notice.

The Board recommends the Special Resolution for passing of the resolution as set out at Item No.5 of the accompanying Notice.

**ITEM NO. 6: For re-appointment of cost auditor of the Company.**

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditor) Rules 2014, the company is required to appoint to audit the cost records of the company.

The Board has considered and approved the re-appointment of M/s Rajesh & Company, Cost Accountants as the Cost Auditors to audit the Cost records of the Company for the Year 2023-2024 at a remuneration of Rs. 15000/- plus Service Tax.

The Board recommends this resolution for approval of members.

None of the director/key managerial personnel of the company/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution,

**ITEM NO. 7: For re-appointment of Secretarial auditor of the Company.**

In pursuance of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration personnel) Rules 2014 and other applicable provisions if any of the Companies Act, 2013, the company is required to appoint to secretarial auditor of the company.

The Board has considered and approved the re-appointment of Mr. Govind Jaiswal, Practicing Company Secretary as Secretarial auditor of the Company and remuneration is paid in consultation with audit committee.

The Board recommends this resolution for approval of members.

None of the director/key managerial personnel of the company/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution,

**ITEM NO. 8: For re-appointment of internal auditor of the Company.**

In pursuance of Section 138 of the Companies Act, 2013 and other applicable rules & regulations if any of the Companies Act, 2013, the company is required to appoint to Internal auditor of the company.

The Board has considered and approved the re-appointment of Mr. Kunal Sanghi, in the capacity of the Internal Auditor in the Company, for the Financial Year 2023-2024.



The Board recommends this resolution for approval of members.

None of the director/key managerial personnel of the company/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution,

**ITEM NO. 9: To Shifting of a registered office of the Company from jurisdiction of one ROC to Jurisdiction of another ROC within same state:-**

The registered office of the Company is situated at 506, 5th floor, plot no. B-9 landmark building, new link road, Andher, i (west), Mumbai City, Mumbai, Maharashtra, India, 400058. Now the shareholders of the company at its meeting held on 28<sup>th</sup> September 2024 decided that the registered office of the Company is to be shifted to Sagar Signature Complex India, Est. Pre, Co-operation Society Limited, Near IPOL, Valiv Phata, Vasai East, District Palghar – 401208 a place within the local limits of the town where the company's registered office is presently situated but roc is shifted to another roc in the same state.

The Board recommends the proposed resolution to the members of the Company for their consideration and approval.

None of the directors of the company is concerned or interested in the proposed resolution.

**ITEM NO. 10: Reclassification of Promoter.**

Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'Listing Regulations, 2015'), along with amendments thereto, has provided a regulatory mechanism for reclassification of person belonging to Promoter(s)/Promoter Group Shareholder to Public Shareholder of the Company subject to fulfillment of conditions as provided therein.

In this regard, the Company received request letter dated 01<sup>st</sup> September 2024 from Mrs. Priyanka Kishore Gurnani D/o Mr. Ishawr Mulani R/o A-304, Vastu Tower, Evershine Nagar, Opposite Rayan International School, Malad West, Mumbai- 400064 (MH) is a person belonging to the Promoter Group category of the Company holding 0 no. of equity shares in Demat A/c 12034600 as of 31st March, 2024 pursuant, to Regulation 31A of the Listing Regulations, 2015 for reclassification from "Promoter Group" category to "Public" category pursuant to regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

On the basis of the request received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of Listing Regulations, Mrs. Priyanka Kishore Gurnani seeking reclassification confirmed that:

- She does not hold more than ten per cent of the total Voting Rights in the Company;
- She does not exercise control over the affairs of the Company directly or indirectly;
- She does not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- She does not represent on the Board of Directors (including not having a Nominee Director) of the Company;
- She does not act as a Key Managerial Person in the Company;
- She is not 'a willful defaulter' as per the Reserve Bank of India Guidelines;
- She is not a fugitive economic offender.
- No regulatory action is pending against her.

In view of the explanations given by her as detailed above and in consideration to the conditions as stipulated in Regulation 31A of the Listing Regulations, 2015, the Board of Directors of the Company at their meeting held on 28.09.2024 have approved her request for reclassification received by the Company as above from Promoter group category to Public category subject to approval by the members and relevant regulatory authorities. As required, intimation has been sent to Stock Exchanges based on declaration received from her.

Further, she has confirmed that subsequent to reclassification, she would continue to comply with the requirements as mentioned in Regulation 31A of SEBI (LODR) Regulations, 2015 failing which, she shall automatically be reclassified as Promoter/ persons belonging to Promoter Group, as applicable.

Your directors recommend the passing of the Resolution in Item No.12 of the Notice as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in anyway concerned or interested in this Resolution.

**Regd. Office:  
506, 5<sup>th</sup> Floor Plot No. B-9, Landmark Building  
New Link Road, Andheri (West), Mumbai,  
Maharashtra 400058**

**By order of the Board  
for Veto Switchgears and Cables Limited**

**Akshay Kumar Gurnani  
(DIN: 06888193)  
(Managing Director & CEO)**

**Place: Jaipur  
Date: 03<sup>rd</sup> September 2024**

**Additional Information of Director seeking re-appointment/retire by rotation at the ensuing Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard of General Meeting:**

**Annexure to the Notice**

**17<sup>TH</sup> ANNUAL GENERAL MEETING (AGM)**

<b>Name of the Director</b>	<b>Mr. Akshay Kumar Gurnani (DIN: 06888193)</b>
<b>Date of Birth</b>	27/02/1993
<b>Date of the Appointment</b>	27/08/2014
<b>Qualification</b>	He is Post Graduate by qualification
<b>Brief Profile / Expertise in Specific field of areas</b>	He is a Managing Director and CEO of our Company. He is qualified post graduate in the fields of Commerce and Business Administration as well as having Qualification of International Hotel Management. He plays vital role in every era of management right from building of infrastructure to development of every department which includes marketing, planning, production etc. He possesses expertise in managing the manufacturing and marketing segment of copper wires, cables lightning, fan and other electrical accessories
<b>Directorship held in other Public Companies as on 31.03.2024 (excluding foreign Companies and Private Companies)</b>	He has no Directorships in any other public companies.
<b>Membership/Chairmanship of Committees of other public Companies ( as on 31.03.2024)*</b>	None
<b>Number of shares held in the Company (as on 31.03.2024)</b>	688722
<b>Relationship with other Directors, Managers and other Key Managerial Personnel of the Company</b>	
<b>Terms and conditions of appointment or re-appointment</b>	Appointment as an executive director and is liable to retire by rotation.

**Annexure to the Notice**

**17<sup>TH</sup> ANNUAL GENERAL MEETING (AGM)**

<b>Name of the Director &amp; DIN</b>	<b>Hari Krishan Motwani (DIN: 08570545)</b>
<b>Date of Birth</b>	12/09/1953
<b>Date of the Appointment</b>	28 <sup>th</sup> September 2024
<b>Qualification</b>	He is a graduate and having very rich experience in Business Management
<b>Brief Profile / Expertise in Specific field of areas</b>	He appointed as a Non- Executive Independent Director since 2019. He is a graduate and having very rich experience in Business Management and that his induction will ultimately strengthen the company by all means in development of its business. He is a Retired Deputy Manager in United India Insurance Co. Ltd
<b>Directorship held in other Public Companies as on 31.03.2024 (excluding foreign Companies and Private Companies)</b>	He has no Directorships in any other public companies.
<b>Membership/Chairmanship of Committees of other public Companies ( as on 31.03.2024)*</b>	None
<b>Number of shares held in the Company (as on 31.03.2024)</b>	Nil
<b>Relationship with other Directors, Managers and other Key Managerial Personnel of the Company</b>	Not related with any Director/ KMP of the Company
<b>Terms and conditions of appointment or re-appointment</b>	Appointment as an Independent director not liable to retire by rotation.

**Veto**<sup>®</sup>  
SINCE 1967  
ALL ELECTRICAL SEGMENT

GOOD  
IDEAS!  
FOR  
LUXURY  
LIVING!!



MODULAR SWITCHES | WIRES & CABLES | LED LIGHTING  
FANS | MCB & DISTRIBUTION BOARDS



**VETO SWITCHGEARS AND CABLES LTD.**

Regd. Off.: 506, 5<sup>th</sup> Floor, Landmark Building, Link Road, Andheri (W), Mumbai-400 053  
Corp. Off. : Plot No. 10, Days Hotel, Airport Plaza, Durgapura, Tonk Road, Jaipur - 302 018  
Email : [info@vetoswitchgears.com](mailto:info@vetoswitchgears.com) · Customer Care : +91-7410884444





# INTERNAL APPARATUS



## CATCH A GLIMPSE.....

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# Veto's Booming Triumph –since 1967

Presenting its accomplishment and masterstrokes

**“Success is the sum of small efforts – repeated day in and day out.”**

**-Robert Collier**

Veto Group has started its operation of manufacturing Electrical Accessories, Wires and Cables in the year 1967. And till date it has left no stone unturned to retain the prestige.

Over the years, it has been fulfilling demands and expectations of its valued customers and also attains at managing its market position. The efforts applied by the team are of immense importance as it has helped the company to achieve further success.

Veto is India's first company to produce ISI mark electrical accessories in INDIA. The company uses high quality raw material to give best products to its customers and ensures highest level satisfaction of customers. VETO captures a major share of Electrical market in India.

Initially in the Year 2007, M/s Veto Switchgears and Cables, Partnership Firm, through its Existing partners mutually agreed to register the business into the form of a Company under Companies Act, 1956 as a Private Limited Company.

Further, in the Year 2012, the company came up with an Initial Public Offer and got listed at National Stock Exchange of India Limited (NSE) through SME platform. On April 29, 2015, the Company migrated from SME Platform to NSE Main Board and simultaneously got listed on BSE Limited in the same year.

With the passage of time, in the month of October, 2015, the company incorporated a wholly owned subsidiary company in UAE (Dubai) in the name of VETO Overseas Private F.Z.E. and the company is leading with the continuous progressive results.

*\*\* Company dissolved Veto Overseas Private F.Z.E. in the month of May 2024.*

Another Wholly Owned Subsidiary Company in India in the name of Veto Electricals Private Limited taken over in the year 2014-15 which has its own manufacturing plant (100% Export Unit) at Light Engineering Zone, Mahindra SEZ, Jaipur. Its commercial production started from July, 2017 onwards.

Another Wholly Owned Subsidiary Company in India incorporated on 8<sup>th</sup> November 2019 under the name of Veto LED Lightings Private Limited.

Further the Company has also acquired 95.5% stake in M/s Vankon Modular Private Limited in February 2021. Now Veto has more strengthened in the market of Northern East as Vankon is having market share in UP & Northern East State of the Country, which is engaged in manufacturing of Electrical Accessories, LED Lighting, Wires & Cables.

The company has a strong team of highly qualified professionals who strive to innovate the best products with the use of advanced high tech machinery. The group sustained the position as a leading supplier of electrical goods in the gulf countries for a time period of more than a decade.

**“Integrity, insight and inclusiveness are the three essential qualities of leadership, as this quote, our leaders have played a pivotal role in shaping efficient working performance and enhancing teamwork.”**

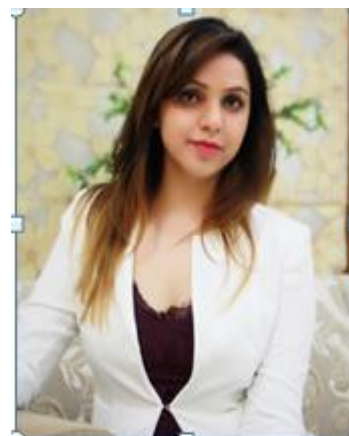
## BOARD OF DIRECTORS



AKSHAY KUMAR GURNANI  
(Managing Director cum Chief  
Executive Officer)



NARAIN DAS GURNANI  
(Whole- time Director cum  
Chief Financial Officer)



JYOTI GURNANI  
(Woman Director)



SANJEEV KUMAR DASS  
(Independent Director)



DR. KANWARJEET SINGH  
(Independent Director)



HARI KRISHAN MOTWANI  
(Independent Director)

## STEWARDSHIP



Vice President Marketing  
Mr. VASUDEV LALWANI  
(B. Com)



Sr Manager Accounts  
Mr. ANIL KASLYA  
(M.COM, CA)



## Corporate Information

### Company Secretary cum Compliance Officer

Kritika Todwal  
(ACS, B.Com, M.Com, LLB, LLM)

### Statutory Auditor

SGCO & Co. LLP  
(Formerly known as CAS & Co.)  
Chartered Accountant  
A-703, Rajeshri Accord,  
Telly Cross Lane, Off. S.N. Road, Andheri (East), Mumbai – 400069

### Registrar and Share transfer Agents

Bigshare Services Pvt. Ltd.  
Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East), Mumbai – 400093  
Tel.: +91 22-6263 8200; Fax: +91 22 6263 8299  
Email: info@bigshareonline.com; Website: [www.bigshareonline.com](http://www.bigshareonline.com)

### Bankers

Indian Overseas Bank  
HDFC Bank Limited

### Secretarial Auditor

Mr. Govind Jaiswal & Co.  
(Practicing Company Secretary)

### Cost Auditor

Rajesh & Company  
(Cost Accountants)

### Internal Auditor

Kunal Sanghi  
(Chartered Accountant)

### Stock Exchanges where Company's Securities are Listed

National Stock Exchange of India Limited  
BSE Limited

### Registered Office

506, 5<sup>th</sup> Floor, Plot No. B-9 Landmark Building, New Link Road, Andheri (West), Mumbai, Maharashtra – 400058

### Corporate Office

4<sup>th</sup> Floor, Plot No. 10, Days Hotel, Behind Hotel Radisson Blu, Tonk Road, Durgapura, Jaipur Rajasthan – 302018

### Website

[www.vetoswitchgears.com](http://www.vetoswitchgears.com)

### Corporate Identity Number

L31401MH2007PLC171844

### Email ID

[cs@vetoswitchgears.com](mailto:cs@vetoswitchgears.com)



## BOARD'S COMMITTEES

### AUDIT COMMITTEE

Mr. Sanjeev Kumar Dass (Chairman)

Mr. Hari Krishan Motwani (Member)

Mr. Narain Das Gurnani (Member)

### NOMINATION, REMUNERATION & COMPENSATION COMMITTEE

Mr. Sanjeev Kumar Dass (Chairman)

Dr. Kanwarjeet Singh (Member)

Mr. Hari Krishan Motwani (Member)

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Sanjeev Kumar Dass (Chairman)

Mr. Hari Krishan Motwani (Member)

Mr. Narain Das Gurnani (Member)

### STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Sanjeev Kumar Dass (Chairman)

Mr. Hari Krishan Motwani (Member)

Mr. Narain Das Gurnani (Member)



## Board's Profile

### **Akshay Kumar Gurnani (DIN: 06888193)**

Akshay Kumar Gurnani is the Managing Director cum Chief Executive Officer of our Company. He is qualified post graduate in the fields of Commerce and Business Administration as well as having Qualification of International Hotel Management. He plays vital role in every era of management right from building of infrastructure to development of every department which includes marketing, planning, production etc. He possesses expertise in managing the manufacturing and marketing segment of copper wires, cables lightning, fan and other electrical accessories. He aims at achieving growth of the organization as a whole and tries to do all possible aspects to reach his desired sales target.

#### **Other Directorships:**

<b>S. No.</b>	<b>Name of the Companies</b>	<b>Position</b>
1	Vankon Modular Private Limited	Director
2	VNB Marketing Private Limited	Director
3	Grocious Private Limited	Director
4	Gurnani Holdings Private Limited	Director
5	Veto Electropowers (India) Private Limited	Director
6	Veto Electric Components Private Limited	Director
7	Veto Power Products Private Limited	Director
8	Veto Retails Private Limited	Director
9	Veto Electricals Private Limited	Director
10	Pink Square Build Estate Private Limited	Director
11	Veto Lightings Private Limited	Director
12	Narayan Realhome Developers Private Limited	Director
13	Vankon Switchgears And Cables Private Limited	Director
14	V1 Infradevelopers Private Limited	Director
15	Veto Fincap Private Limited	Director
16	Gurnani Inn Private Limited	Director
17	Gurnani Resorts And Hotels Private Limited	Director
18	Liljas Hotels And Resorts Private Limited	Director
19	Veto LED Lightings Private Limited	Director

### **Narain Das Gurnani (DIN: 01970599)**

Narain Das Gurnani is the Whole-Time Executive Director in the Capacity of Chief Financial Officer. He is Under Graduate by qualification but possesses specific skills in finance. He has over 40 years of experience in the field of electrical industry. Besides this he has experience of manufacturing in the same field. He has handled finance and costs in other group companies. He always plays vital role in formulating business strategies and effective implementation programs for both domestic and international markets.

#### **Other Directorships:**

<b>S. No.</b>	<b>Name of the Companies</b>	<b>Position</b>
1.	Veto Electropowers (India) Private Limited	Director
2.	Esma Constructions Private Limited	Director
3.	Veto LED Lightings Private Limited	Director



4.	Jaipur Buildvision Private Limited	Director
5.	Pink Square Build Estate Private Limited	Director

**Jyoti Gurnani (DIN: 06953899)**

Jyoti Gurnani is the Woman Director of our Company. She is Graduate by qualification and participates actively in the growth and development of the Company. She has no other Directorships. She is the Chairperson of Internal Complaint Committee.

**Dr. Kanwarjeet Singh (DIN: 07813714)**

Dr. Kanwarjeet Singh is Non- Executive Independent Director of our Company. He is a senior physician and practicing his profession since 40 years. He is affiliated with Life Insurance Corporation of India (LIC), Sindhu Welfare Society and Rajasthan Housing Board. His acumen, administrative power and experience act as a guiding role for growth of our organization. He has no other Directorships. He is member in Nomination, Remuneration & Compensation Committee of our Company.

**Sanjeev Kumar Dass (DIN: 09690317)**

Sanjeev Kumar Dass is Non- Executive Independent Director of our Company. He is a graduate in arts with a Diploma in Hotel Management, Catering Technology and Applied Nutrition from Institute of Hotel Management, SRINAGAR (Kashmir) and is a trained Hotel Manager. He has 30 years of rich experience in the hotel industry. He is a Chairman in all Board Committees of our Company.

**Hari Krishan Motwani (DIN: 08570545)**

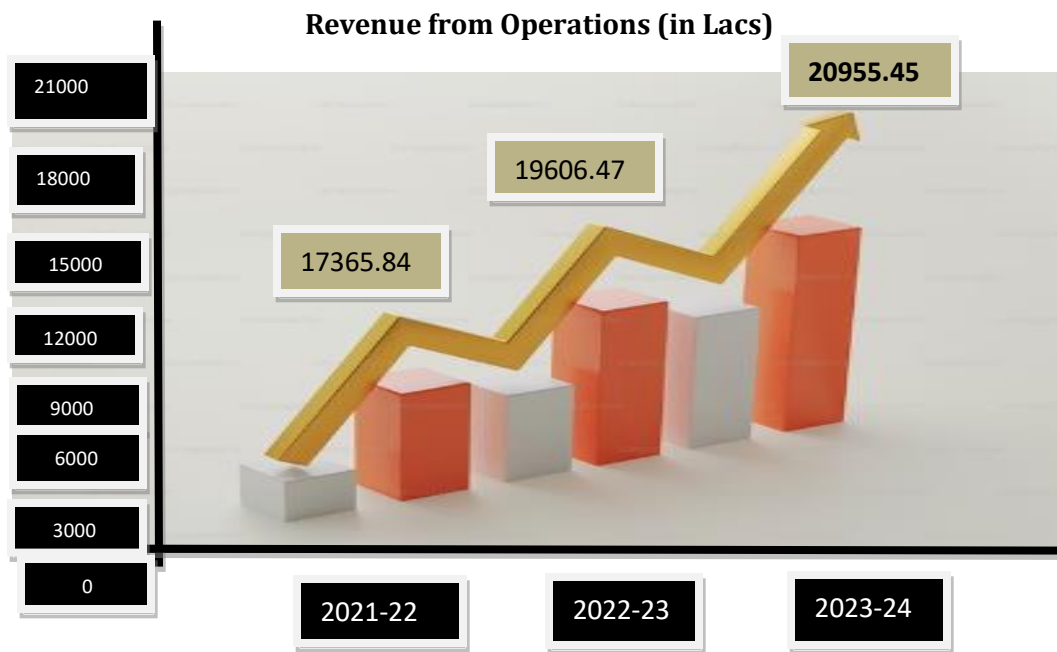
Hari Krishan Motwani is Non- Executive Independent Director of our Company. He is a graduate and having very rich experience in Business Management and that his induction will ultimately strengthen the company by all means in development of its business. He is a Retired Deputy Manager in United India Insurance Co. Ltd. He has no other Directorships. He is a member in Audit Committees, Corporate Social Responsibility Committee, Nomination, Remuneration & Compensation Committee, and Stakeholders Relationship Committee of our Company.

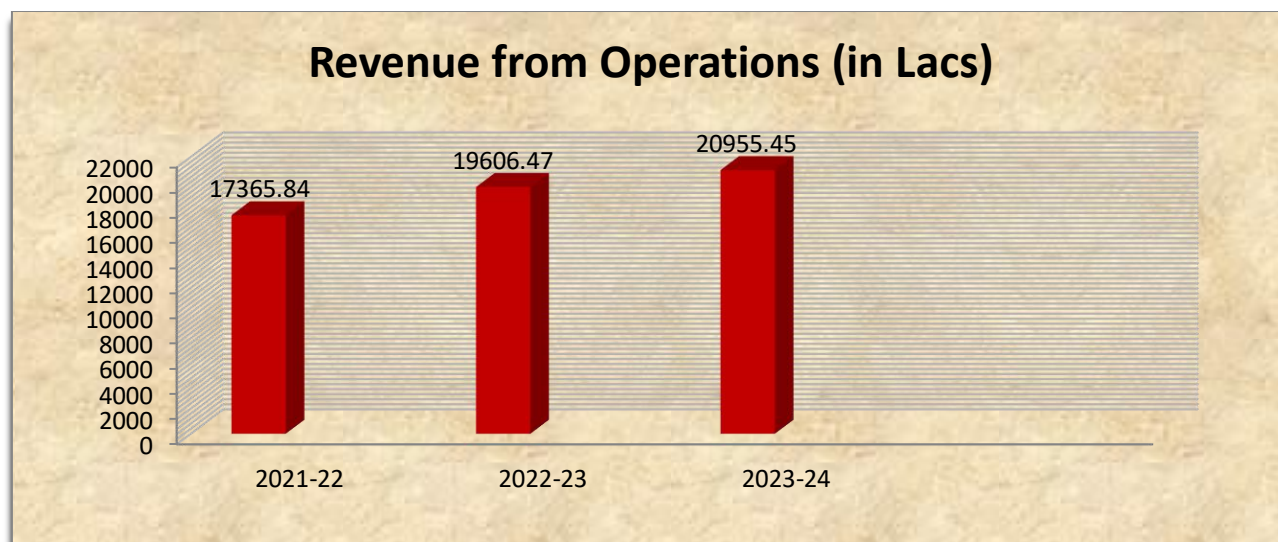
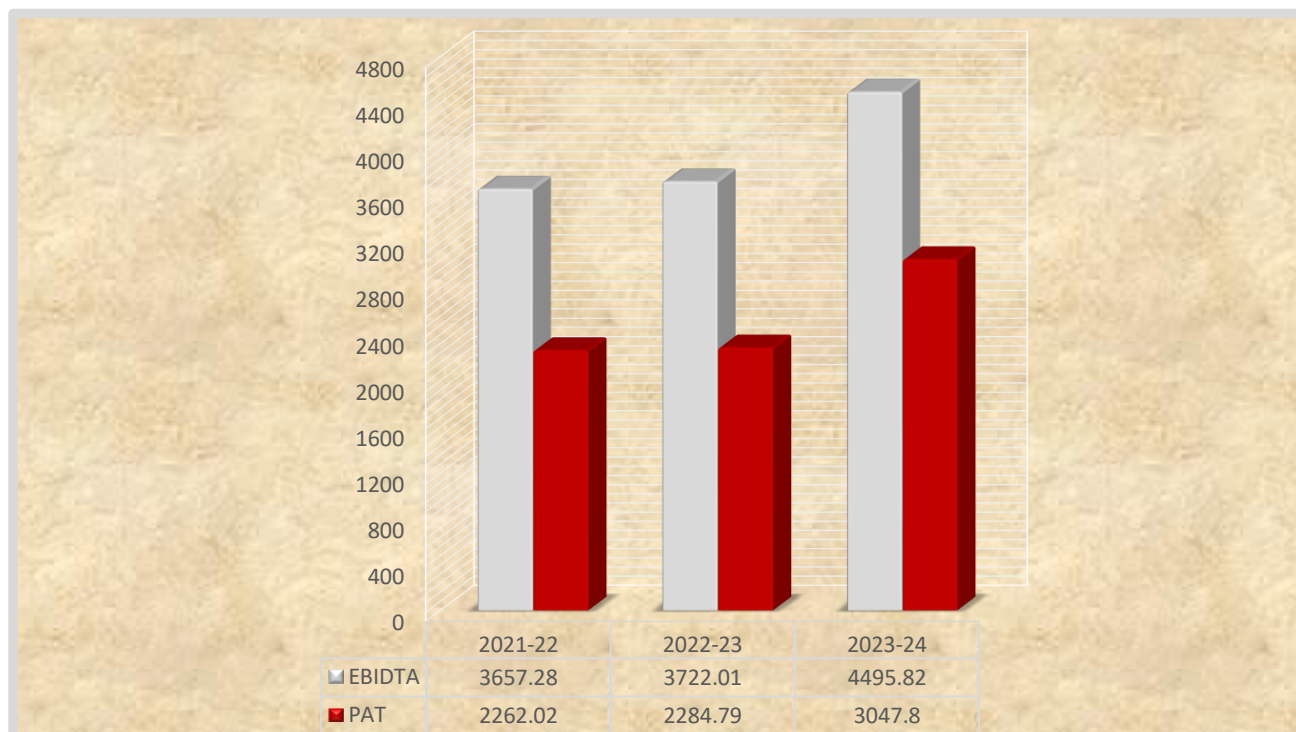
**Note:**

- Other Directorships and Committee Memberships of Directors are as on 31<sup>st</sup> March 2024.
- Changes in the composition of Board of Directors and Committees: N/A

# Business Accomplishments

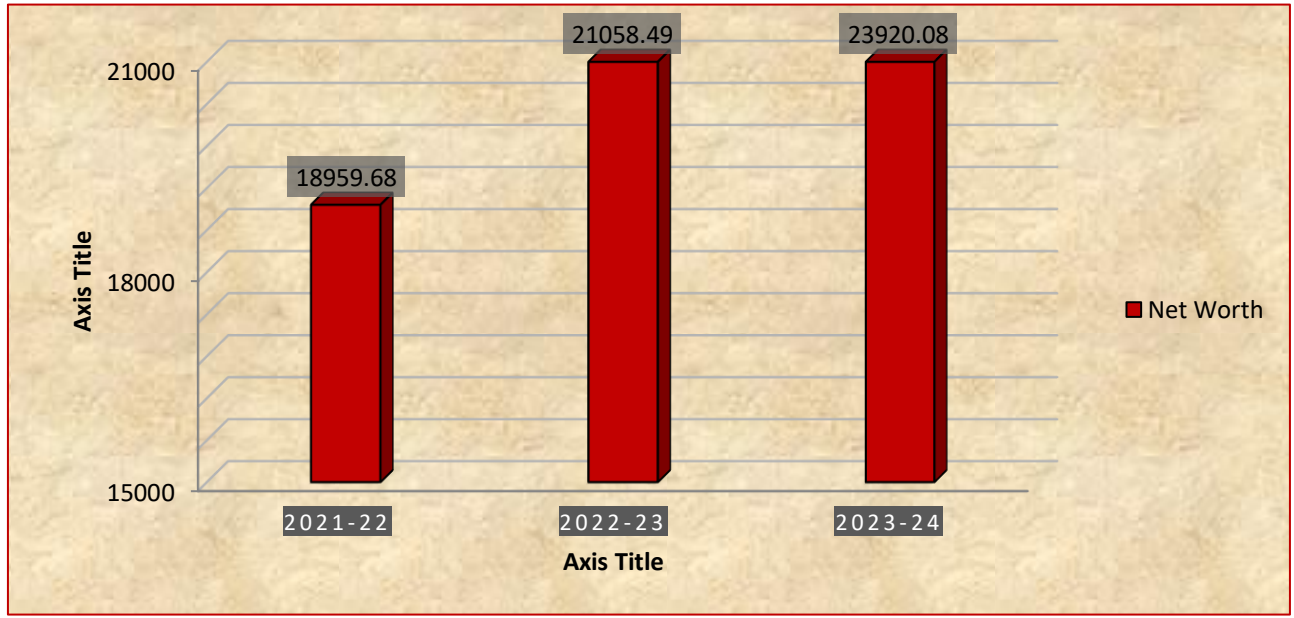
## Years of Consistent Progress and Perseverance (Standalone)





**EBIDTA & Profit after Tax (in Lacs)**

**Net Worth (in Lacs)**



## Message from the Managing Director



**“Good teams become great ones when the members trust each other enough to surrender me for the WE.”**

*-Phil Jackson*

### **Dear and Esteemed Fellow Shareowners,**

It is quite heartwarming to present that this journey with little ups and downs resulted in heightening of our industry, which in a manner helped your organization to reach this stage. With all planned strategies and their impactful implementations, we reached at sufficiently good balance sheet.

Despite all the economic scenarios in the market, Veto tried its level best to not let situations act as hindrance in the functioning and implementation of strategies. As said by George Matheson, “We conquer by continuing.” We stuck by our plans and tried to maximize our potential to reach the decided goals. It was a situation where industry faced macroeconomic environmental effects, which led to a certain level of inflation in materials yet with all strategical alliances your company conquered the same.

From the past years, your company is trying to expand and grow in a manner which keeps in mind the wants and demands of its customers. With a view to this, your company resulted with consolidated revenue of Rs. 30482.75 Lakhs for the F.Y. 2023-24, this is near to 3.05% growth on Year-on-year basis. Profit after Tax is Rs. 1806.31 Lakhs this is magnified on Year-on-year basis. Further your company has achieved EBIDTA of Rs. 3,562.22 Lakhs this has been burgeoning growth for the financial year 2023-24.

The human resource management activities are of immense importance when it comes to attain organizational goals; your company also tries to utilize resources in optimum way, works in efficient way to fulfil all corporate needs of the industry. It is rightly said that success isn't always about greatness, it's about consistency. Consistent hard work leads to success, greatness will come.

A positive working environment is a workplace that promotes employee safety, growth and goal attainment. These environments are most conducive to a successful workforce as they encourage employees to perform to their highest ability.

In these dynamic situations where inflammation took place and other macro environmental activities were rising, your company took all possible measures and tried to overcome it and healthy balance sheets are the results of these efforts.

I am elated to inform you all that your company not only grew in monetary terms but also enhanced its distributions channels via different cities, which in return helped your company to retain customers in different zones.

This all has not been possible without your unconditional, constant support and cooperation; I am Thankful to all for keeping their trust in the company.

Thankyou!

With warm regards,  
**Akshay Kumar Gurnani**  
Managing Director Cum CEO  
DIN: 06888193



## Our Vision

“To be a globally recognized corporation that provides best electrical and lighting solutions, by pursuing excellence and innovation through committed team work and ethical business practices.”

## Our Mission

“To provide the people of our nation offer low priced, high quality eco-friendly products, our employees a great work environment with utmost satisfaction and growth opportunities while treating each other with respect and dignity, our investors the highest possible returns and ultimately contribute to our communities and our environment in a positively transparent way.”

## Core Values

### ***Commitment***

By our hard work, open communication and team work we will be the most relevant, innovative and insightful company in India.

### ***Honesty***

We continue with our fair and transparent business in our operations to meet our obligations, sustain our growth and reach our goals.

### ***Team Work***

To bring a positive change by satisfying the demands of the Customers in an Eco-Friendly manner. Our vision unites us as one organization focused on delivering best results.

### ***Passion***

The soul of VETO is in its passion to innovate, outperform benchmarks and deliver the best consistently.

### ***Optimistic approach***

We continue to drive forward, offering new technology and products to our customers. Our vision is to achieving sale target of more than Rs. 1000 Crores in next Five Years on Consolidated basis.

# Board's Report

*Dear Members,*

The Board of Directors are elated to present the **17<sup>th</sup> Annual Report** of the business and operations of your Company along with the Audited Financial Statements for the Financial Year ended **31<sup>st</sup> March, 2024** and other accompanying reports, notes and certificates.

## FINANCIAL HIGHLIGHTS

The Company's financial performance (standalone and consolidated) for the year ended **March 31<sup>st</sup>, 2024** along with previous year's figures are summarized below:

(Rs. In Lakhs)

Particulars	Consolidated		Standalone	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations (including other Income)	<b>30,482.75</b>	<b>29551.09</b>	<b>23,016.77</b>	<b>20895.15</b>
Less Expenses :				
(a) Cost of materials consumed	11456.63	11292.65	8358.02	7454.56
(b) Purchases of stock-in-trade	9938.77	8746.97	7515.37	6796.14
(c) Changes in inventories of finished goods, and stock-in-trade	1008.52	1417.24	(455.12)	36.23
(d) Employee benefits expense	1821.11	1886.45	1085.51	1112.08
(e) Finance costs	414.46	478.24	259.31	380.89
(f) Depreciation and amortization Expense	272.57	282.13	213.13	233.09
(g) Other expenses	2695.50	2405.87	2017.17	1774.11
<b>Total expenses</b>	<b>27607.56</b>	<b>26509.54</b>	<b>18993.39</b>	<b>17787.10</b>
<b>Profit before tax and Share of Profit of an Associate</b>	<b>2875.19</b>	<b>3041.54</b>	<b>4023.38</b>	<b>3108.03</b>
Less: Exceptional items	-	-	-	-
<b>Profit before tax</b>	<b>2875.19</b>	<b>3041.54</b>	<b>4023.38</b>	<b>3108.03</b>
Less: Tax	1068.88	996.18	975.58	823.26
<b>Profit for the year</b>	<b>1806.31</b>	<b>2045.36</b>	<b>3047.80</b>	<b>2284.79</b>
Other Comprehensive Income	(155.09)	191.37	4.95	5.17
<b>Total comprehensive income for the year, net of tax</b>	<b>1651.22</b>	<b>2236.74</b>	<b>3052.75</b>	<b>2289.96</b>

The standalone and the consolidated financial statement have been prepared in accordance with the Indian Accounting Standards (Ind AS). Balancing with customer's want's we managed to meet their requirements and we strive to do so in upcoming years. By encouraging performance of our employees we achieved revenue growth of **Rs. 30,482.75 Lakhs** and we concluded the year with positive revenue and a profit hike of **Rs. 931.66 Lakhs**.

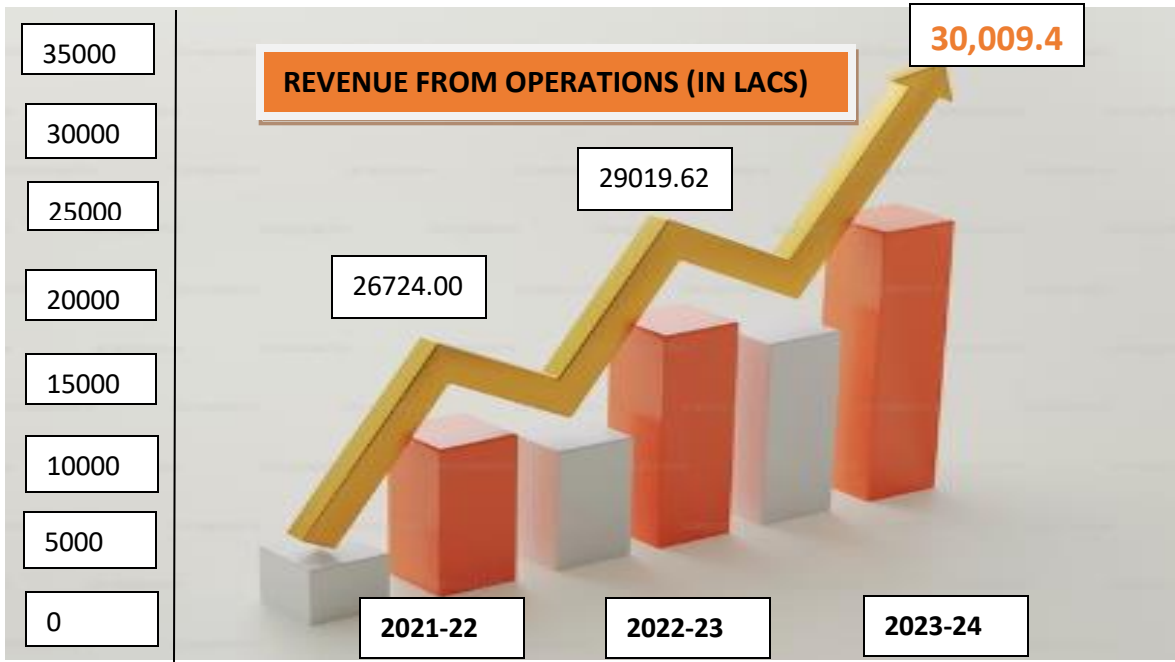


## **FINANCIAL PERFORMANCE**

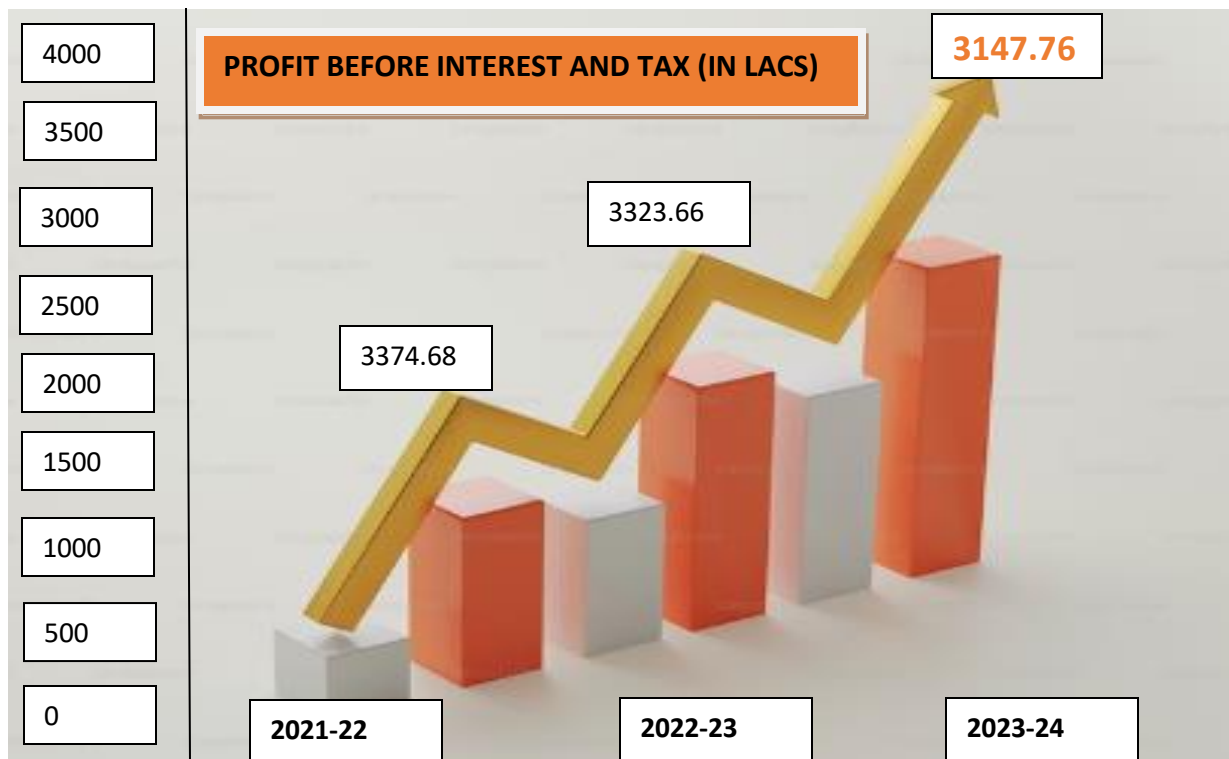
### **Consolidated Financial Results**

During the year under review on consolidated basis our Company earned profit before tax of Rs. 2875.19 Lakhs against Rs. 3041.54 Lakhs in the previous year. The Company earned profit for the year of Rs. 1806.31 Lakhs as compared to Rs. 2045.36 Lakhs in the previous year. The Company had Revenue from operations of Rs. 30009.43 Lakhs as compared to 29019.62 Lakhs in the previous year. The Profit before Interest/Depreciation/Tax (PBDIT) was Rs. 3562.22 Lakhs as compared to Rs. 3801.90 Lakhs in the previous year.

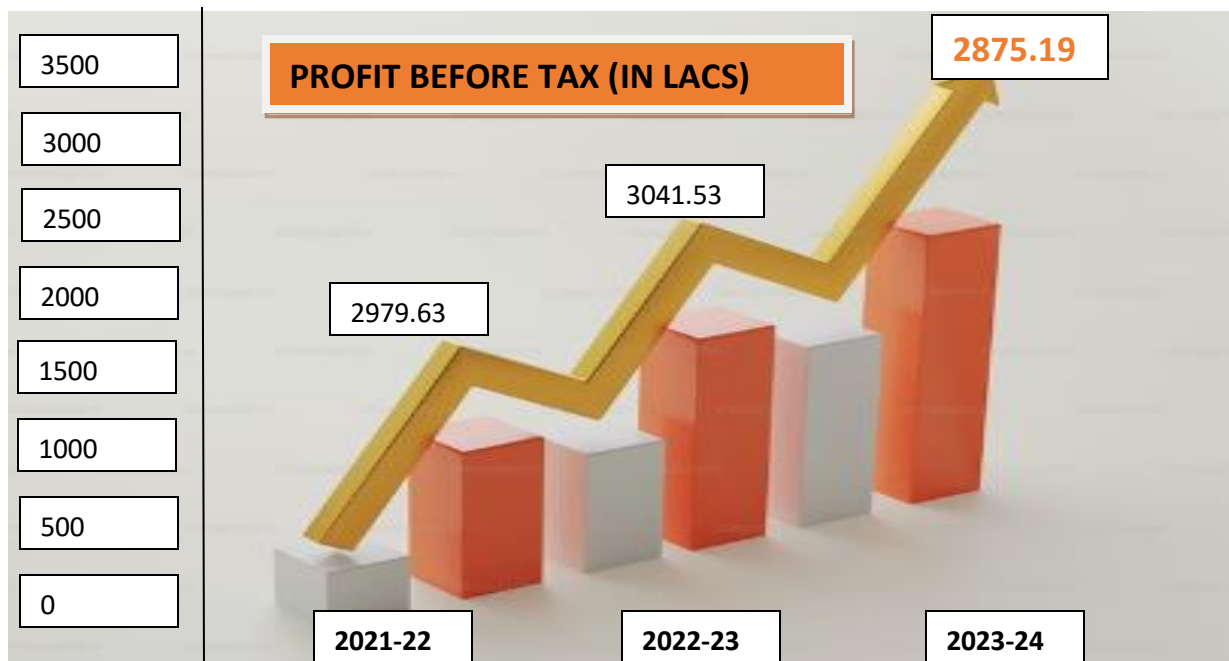
### **Revenue from Operations (In Lacs)**



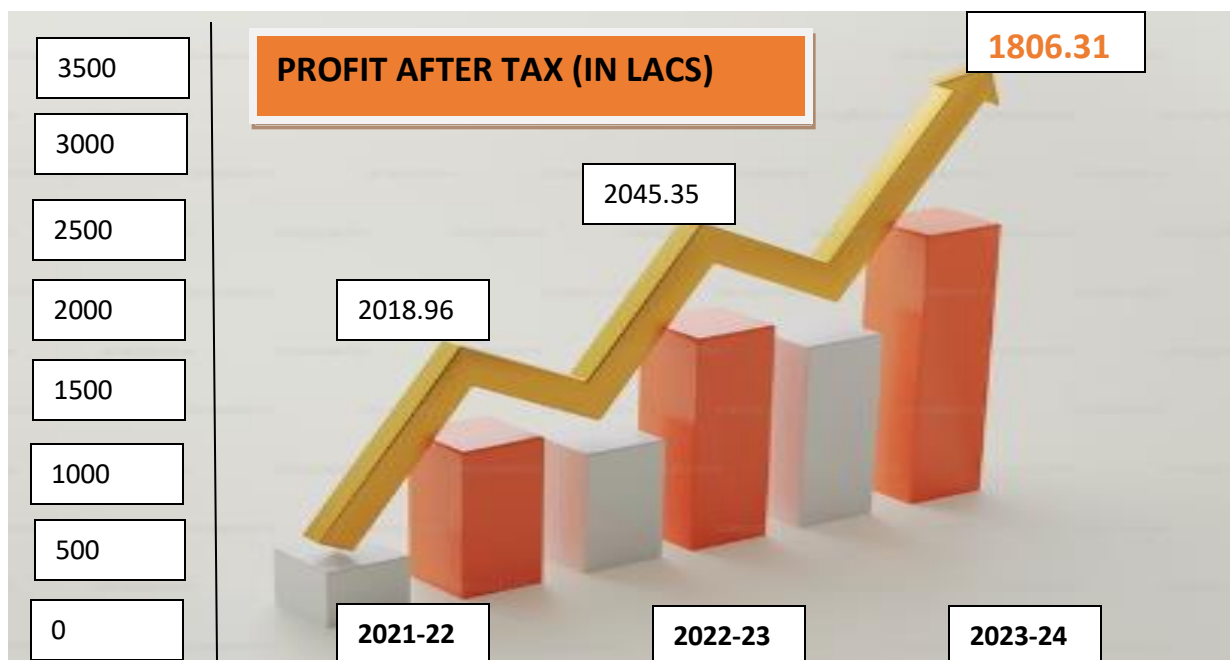
### Profit Before Interest and Tax (In Lacs)



### Profit Before Tax (In Lacs)



### Profit After Tax (In lacs)



### STANDALONE FINANCIAL RESULTS

During the year under review our Company earned profit before tax of Rs. 4,023.38 Lakhs against Rs. 3108.05 Lakhs in the previous year. The Company earned profit after tax of Rs. 3047.80 Lakhs as

compare to Rs. 2284.79 Lakhs in the previous year. The Company has Income from operation of Rs. 20955.15 Lakhs as compared to Rs. 19606.47 Lakhs in the previous year. The Profit before Interest/Depreciation/Tax (PBDIT) was Rs. 4,495.82 Lakhs as compared to Rs. 3,722.03 Lakhs in the previous year.

Keeping in view the dynamic environment, the company has made efforts to improve efficiency, productivity and profitability. The management seeks trust of shareholders in future growth of the Company and is willing to do all possible aspects for enhancement of shareholders' wealth.

### **INDIAN ACCOUNTING STANDARDS**

The standalone and consolidated financial statements of the Company for the financial year ended March 31<sup>st</sup> 2024, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs and as amended from time to time.

### **FINANCIAL STATEMENTS**

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and Section 136 of the Companies Act, 2013 read with Rule 10 of the Companies (Accounts) Rules, 2014, the Annual Report containing salient features of the financial statements, including consolidated financial statements, for the financial year 2023-24, along with statement containing salient features of the Directors' Report (Management Discussion & Analysis and Corporate Governance Report) is being sent only by electronic mode to members whose e-mail addresses are registered with the Company or with the Depository participant and uploaded on the website of the Company and also be accessed from the websites of the Stock Exchanges i.e. BSE Ltd and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

Annual Report 2023-24 contains complete Balance Sheet, Statement of Profit & Loss, other statements and notes thereto, including consolidated financial statements, prepared as per the requirements of Schedule III to the Companies Act, 2013.

### **DIVIDEND**

The Board of Directors of your company pleased to recommend a Final Dividend of 10% i.e. Rs. 1/- per Equity Share having face value of Rs. 10/- aggregating to Rs. 19114955/- for the Financial Year ended on 31<sup>st</sup> March 2024. The proposed Dividend, subject to approval of Shareholders in the ensuing 17<sup>th</sup> Annual General Meeting of the Company, will be paid to shareholders within the period stipulated by the applicable Companies Act, 2013. The dividend would be payable to all Shareholders whose names appear in the Register of Members as on the Book Closure Date. The Register of Members and Share Transfer Books shall remain closed from 22<sup>nd</sup> September 2024, Sunday to 28<sup>th</sup> September, 2024, Saturday (both days inclusive).

### **AMOUNT TRANSFERRED TO INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to applicable provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (Rules) as amended, all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after completion of

seven years from the date of transfer to Unpaid Dividend Account of the Company. Hence, during the Financial Year 2023-24 unpaid/unclaimed dividends of Rs. 205,355.00 relating to Interim Dividend for FY ended 2016-17 were transferred to the Investor Education and Protection Fund.

#### **DETAILS OF NODAL OFFICER**

The Company has appointed Mr. Narain Das Gurnani, Whole Time Director cum CFO as the Nodal Officer and Mrs. Kritika Todwal, Company Secretary Cum Compliance Officer as the Deputy Nodal Officer for the purpose of coordination with Investor Education and Protection Fund Authority.

#### **RESERVES**

Your Directors do not propose to transfer any amount to the general reserve and entire amount of profit for the year forms part of the 'Retained Earnings' i.e. Rs. 3,047.80 lakhs.

#### **SHARE CAPITAL STRUCTURE**

The Authorised Capital of the company is Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 2,50,00,000 (Two Crore Fifty Lakhs) equity shares of Rs. 10/- each and Issued, Subscribed and Paid-up capital is Rs. 19,11,49,550/- (Rupees Nineteen Crore Eleven Lacs Forty Nine Thousand Five Hundred Fifty Only) divided into 1,91,14,955 (One Crore Ninety One Lacs Fourteen Thousand Nine Hundred Fifty Five) equity shares of Rs. 10/- each during the year.

There has been no change in the Authorized Share Capital, Issued, Paid up and Subscribed Capital of the company during the year.

#### **CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There is no change in the nature of business of the Company during the financial year ended 31<sup>st</sup> March, 2024.

#### **MATERIAL CHANGES & COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

**Material change** and commitments affecting the financial position of the Company occurred between the end of the financial year of the Company to which financial year relates and the date of this Report.

**New Product Launches:** The Company has successfully introduced a new range of electrical equipment, including heaters, emersion rods, and iron presses. These products are designed to meet the evolving needs of our customers and are expected to enhance our product portfolio, driving growth in the electrical market.

**New Factory Development:** A new factory dedicated to the production of Veto LED products has been constructed and will commence operations in January 2025. This new facility will enable the centralization of production, leading to improved efficiency, reduced operational costs, and increased capacity to meet growing market demand.

**Expansion of Product Range:** We have expanded the Vyoma series with the launch of a whole new range of "Classic Black" products. This strategic addition is designed to capture a broader market segment, particularly those seeking premium and aesthetically appealing options. The introduction of this range is anticipated to strengthen our market position and attract a new customer base.

\*\* During this reporting period, the Company has undertaken the closure of its wholly-owned subsidiary, "VETO OVERSEAS PRIVATE FZE" located in Dubai. This decision was made following a comprehensive review of the subsidiary's financial performance, strategic alignment with the Company's long-term goals, and the evolving market conditions in the region.

The closure of subsidiary, "VETO OVERSEAS PRIVATE FZE" is expected to streamline our operations, reduce costs, and allow the company to focus resources on core markets that offer higher growth potential. All necessary legal and regulatory processes associated with the closure have been initiated, and the Company is committed to ensuring a smooth transition for all stakeholders involved.

This action is considered a material change and has been duly approved by the board of directors.

### **PARTICULARS OF LOAN, GUARANTEE AND INVESTMENTS**

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, as at 31<sup>st</sup> March, 2024, are given in the Note No. 7 & Note No. 8 of the Standalone Financial Statements of the Company. These loans and investments were made for the purpose of optimum returns.

### **DEPOSITS**

During the year under review, the Company has neither accepted nor renewed any deposits in terms of Chapter V of the Companies Act, 2013 and Rules framed thereunder.

The Company has not received any unsecured loan from its directors during the financial year 2023-24.

### **BUSINESS OPERATIONS / STATE OF COMPANY'S AFFAIRS**

VETO showed robustness in their financial results and achieved desired growth as planned, even with drastic changes in commodity prices it managed to attain optimum utilization of resources. With effective management it concurred all market challenges and achieved customer satisfaction.

Your Company continued with wide range of new product launches and innovations to fulfil needs and demands of customers, keeping it all budget friendly with high security of products. Intending to enhance mechanism behind material usage and its production. Along with that it is also planning to re-engineer some of its creations to make it more customer adaptable and also improving product molding as well as bonding process.

It is trying its level best to cut down redundant costs and it is focused on mechanism working such as silver layer re-working and Bimetallic silver bonding, which in a way help in attaining cost efficiency as well as it will result into fruitful usage of resources.

The Company and individuals carry the same objective of not only improving, but empowering people's lives with our unique repertoire of products and services, backed by time tested technology and advanced Research & Development methods. With persistent focus on innovation, prompt

capitalization of opportunities, building up credibility through strategic thinking, operational expertise, well planned investments and business integrity, we aim to continue our journey without any reduction in intensity or strength. The company envisages an organization that is truly global in every way i.e. technology, policies and possibilities and it can be seen with its world-wide tie-ups, collaborations and import-export relations. Your company has been developing as a distinctive brand of leadership well equipped to address critical challenges faced by industry and society. Our ambition is being recognized as one of the major competitors globally in the electrical accessories industry.

Veto Switchgears and Cables Limited is one of the most respectable cable manufacturers in India. Brand Veto is committed to quality, safety and service with no compromise. **The Company is an ISO 9001:2008 certified company, engaged in manufacturing and selling wires & cables along with other electrical accessories in India.**

The brand VETO came into existence in 1967 and since then holds a major sector of electrical accessories in India. The company has built powerful and efficient team of marketing professionals, dealers and distributors. Result of which can be seen through its increasing sales. Production has reached its manifold several times since its inception. We aim at providing **“Best Quality at Competitive Prices.”**

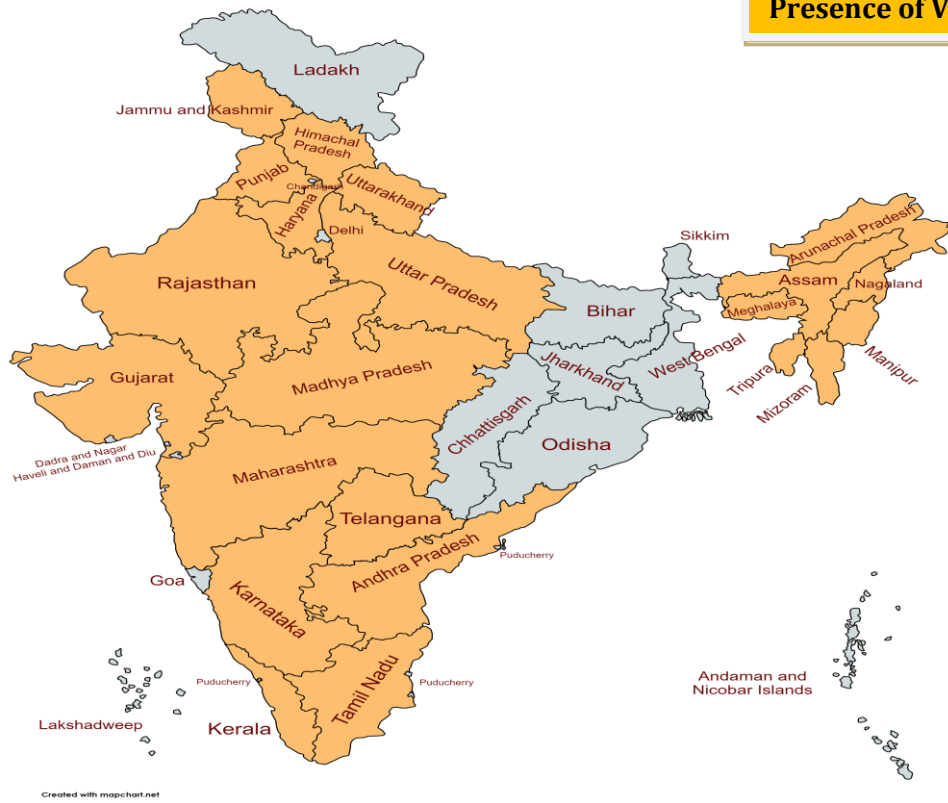
**The product portfolio ranges from industrial cables, Multi stand cables, from General Switches to Modular Switches, Ceiling Fans, LED Bulbs and other Electrical Accessories such as Switch Socket, MCB, Bell and all other Electrical Accessories that are used for Household purposes and manufacturing of Wires and Cables. Cable range starts from 0.75 mm to 10 mm. The Company also manufactures LED Panel Lights, LED Flood Light, LED Street Light, Rope Lights, Slim Panel Light, LED Strip Light and has also received tremendous response from selling the same.**

The products are supplied under the brand name **“VETO”** and **“VIMAL POWER”** through large network of dealers and distributors to its valuable customers in India as well as in Abroad.

**VIMAL POWER** is a part of Veto group and continues to reinforce a successful international presence and enhance its enviable reputation for innovation. Measures taken for continuous research and development ensures in developing world beating range of cables for satisfying or surpassing the requirements of Indian Standards.

Its major distribution in India covers more than **20 states** including major sale in **Rajasthan, Uttar Pradesh, Gujarat, Haryana, Himachal Pradesh, Punjab, J&K, Uttarakhand, Assam, Karnataka, Kerala, Tamil Nadu, Andhra Pradesh, Madhya Pradesh, Telangana, Maharashtra, Mizoram, Meghalaya, Tripura, Manipur, Arunachal Pradesh and Nagaland.**

**Presence of Veto**



Developing its distribution with time and maintaining a good position in the market, it is trying level best to reach every possible destination in India and is willing to provide such services at economical rates. Throughout its distribution levels across India it has attained hike in sales, the data of the same is presented below:

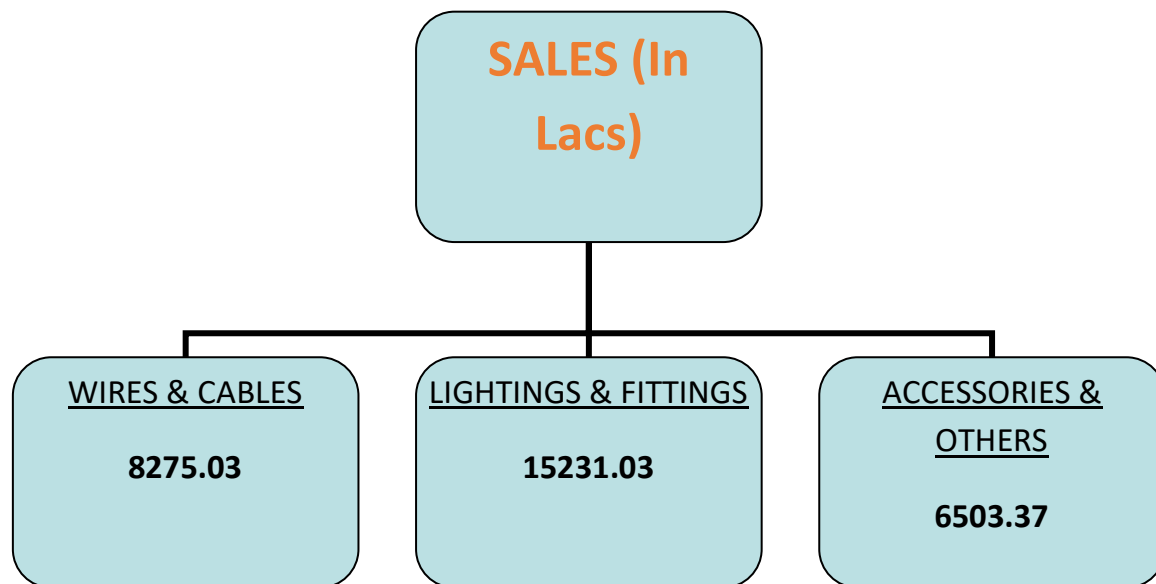


Figure 1



For detailed analysis of the performance, including industry overview, changes, segment details refer to the Management’s Discussion and Analysis Report provided under regulation 34(2) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 presented separately and forms part of this board report.

**Raw Material**

Our Company’s present and proposed consumption of Raw material is as under:

(Qty.in Kg)

Product category	Existing (2023-24)	Proposed (2024-25)
Copper	5762	5877.24
PVC Resin	4996	5095.92
Aluminium	501	511.02

**Infrastructure Facilities**

- **Power:** Presently 400 KVA of power supply is sanctioned by Uttarakhand Power Corporation Limited of which approximately 325 KVA have been utilized for our present business operations. Addition to this, the Company has installed a DG set of 250 KVA capacity to avoid any disruption in the power supply. Therefore, we envisage that our further requirement of power for our proposed modernization plans can easily be met from the present supplies.
- **Fuel:** Our Company mainly requires HSD for operating the DG sets. The present monthly consumption of HSD is about 1000 litres. The HSD is being supplied by retail outlets of IOC, HPCL and BPCL.
- **Water:** Water is an essential need and is basically required for drinking and other domestic purpose. Presently, about 7000 litres per day (after proposed modernization) is required at our Haridwar unit. Requirement of water is met from our own borewell. The water supply is regular and sufficient to meet entire requirements. There is no difficulty in obtaining water because of the presence of number of borewell and the water level in the area being high due to proximity to nearby canal and River Ganga.
- **Manpower:** Our Company has adequate manpower at all levels and does not envisage any difficulty in getting the requisite personnel for our business operations at existing locations. Details of manpower are as follow:

Category	Nos.
Top management	3
Managerial & Supervisory staff	8
Office staff	153
Skilled workers	46
Unskilled workers	121
<b>Total</b>	<b>331</b>

- **Effluent Treatment and Disposal:** Our Company does not generate any industrial effluents which is hazardous to the environment. The waste produced during the manufacturing operation is re-used and/ or recycled.

- **Environmental Clearance:** We have got all the necessary approvals from the local authorities to operate our business.
- **Safety Standards:** Quality and safety are the hallmarks of our diverse range of products, which are designed and manufactured to the very highest standards such as ISO 9001 and approved by the leading organizations nationally and internationally.
- **Our Strategy:** Company's goal is to enhance the competitiveness in the market by adopting several techniques such as continuous research and development, product engineering to ensure the best manufacturing process for our products. Research and development in electrical accessories and other allied products will better enable a competitive position in the market. Further enhancement of operations by improving the existing assets to yield better output. Installation of new assets to enhance and attract new markets is also in the horizon.

➤ **Capacity and capacity utilization**

Particulars	Projected		Actual
	FY 2023-24	FY 2024-25	FY 2023-24
<b>Wires &amp; Cables</b>			
Installed Capacity	20.00 Lacs Bundles	20.00 Lacs Bundles	20.00 Lacs Bundles
Capacity Utilization (in %)	48%	48.00%	28.35%
Production	9.60 Lac Bundles	9.60 Lac Bundles	5.67 Lac Bundles
<b>Electrical Accessories</b>			
Installed Capacity	600 Lac pieces	600 Lac pieces	600 Lac pieces
Capacity Utilization (in %)	40%	40%	28.40%
Production	240 Lac pieces	240 Lac pieces	170.41 Lac pieces

**NOTE:** There is a slight fluctuation in projected targets and actual results due to inflationary range of copper.

➤ **Insurance**

Our Company has taken up a range of insurance policies including:

1. Fire policies for our units, buildings and offices, raw materials, work-in-progress and finished goods as well as entire stock maintained at all our Depot's;
2. Marine policy for transit of raw materials and finished products in India and Marine Export policy;
3. Accidental & Health insurance facility for field staff;
4. Gratuity policy.

These insurance policies are reviewed annually to ensure that the coverage is adequate. All the policies are in existence and the premiums have been paid thereon.

➤ **Internal Control System**

- The Company has an adequate system of internal control commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies. The Audit Committee reviews adherence to internal control systems and internal audit reports periodically.
- Preparation and issuance of financial reports to the shareholders and in the market, including the Annual Report and consolidated financial statements, is reviewed by the Audit Committee.

The Company's financial reporting process is controlled using documented accounting policies and reporting formats, supplemented by detailed instructions and guidance on reporting requirements. The Company's processes support the integrity and quality of data, including appropriate segregation of duties. The financial information of the parent entity and all its subsidiary entities which form the basis for the preparation of the consolidated financial statements are subject to scrutiny by Group level senior management. The Company's financial reports, financial guidance, Annual Report and consolidated financial statements are also reviewed by the Audit Committee of the Board prior of presenting to the Board of Directors for their consideration and approval.

- Detailed budgetary process includes identification of risks & opportunities which is ultimately approved at Board level.
- Board approved the capital expenditure and Audit Committee approved the treasury policies which clearly defines authorization limits and procedures.
- An internal audit function reviews key financial / business processes and has full & unrestricted access to the Audit Committee.
- A risk management programme is placed throughout the Company whereby Risk Management executive reviews and monitors the controls in place both financial and non-financial, to manage the risks facing the business.

#### **SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES**

As on 31<sup>st</sup> March 2024, The Company had 4 (Four) Subsidiary Companies. One of the mentioned entity is registered outside India and three are registered in India:

<b>S. No</b>	<b>Name of the Entity</b>	<b>Relationship</b>
1.	Veto Electricals Private Limited	Wholly own Subsidiary
2.	Veto LED Lighting Private Limited	Wholly own Subsidiary
3.	Veto Overseas Private F.Z.E.	Wholly own Subsidiary
4.	Vankon Modular Private Limited	Subsidiary

*\*\*Veto Overseas Private F.Z.E. a wholly owned subsidiary has been closed in the month of May 2024.*

The details with respect to Subsidiary Companies are provided in the **Annexure-I** to the Directors' Report of the Company.

A separate statement containing the salient features of financial statements of all the subsidiaries of your Company forms part of Annual Report in the prescribed **Form AOC-1** as **Annexure II** in compliance with Section 129(3) of the Companies Act, 2013 and the rules made there under. There has been no material change in the nature of the business of the subsidiary company.

In accordance with third proviso to Section 136(1) of the Companies Act, 2013, the Annual Report of your Company, containing inter alia the audited standalone and consolidated financial statements, has been placed on the website of the Company at <https://www.vetoswitchgears.com>. Further, audited financial statements together with related information of each of the subsidiary companies have also been placed on the website of the Company at <https://www.vetoswitchgears.com>.

In terms of Section 136 of the Companies Act, 2013 ('the Act'), financial statements of the subsidiary companies are not required to be sent to the members of the Company. The Company shall provide a

copy of the annual accounts of its subsidiary companies to the members of the Company on their request. The annual accounts of its subsidiary companies will also be kept open for inspection at the registered office of the Company during business hours.

Pursuant to the requirements of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the details of Loans/ Advances made to and investments made in the subsidiary have been furnished in Notes forming part of the Accounts.

**Material Subsidiary:**

Vankon Modular Private Limited is a material subsidiary of the Company as per the thresholds laid down under the Listing Regulations. The Board of Directors of the Company has approved a Policy for determining material subsidiaries which is in line with the Listing Regulations as amended from time to time. The Policy has been uploaded on the Company’s website at <https://www.vetoswitchgears.com>.

**Further, the Company does not have any joint venture or associate companies during the year or at any time after the closure of the year and till the date of this report.**

**DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES**

As Information has been laid down under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**1. Ratio of the remuneration of each Director to the median remuneration of the employee of the Company for the Financial Year: -**

S.NO.	NAME OF DIRECTOR	TITLE	RATIO TO MEDIAN REMUNERATION
1.	Mr. Akshay Kumar Gurnani	Managing Director / CEO	12.26
2.	Mr. Narain Das Gurnani	Whole Time Director / CFO	4.08
3.	Ms. Jyoti Gurnani	Woman Director	2.04

**2. Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year**

S.NO.	NAME OF PERSON	DESIGNATION	%INCREASE IN REMUNERATION
1.	Mr. Akshay Kumar Gurnani	MD & CEO	Not Increased
2.	Mr. Narain Das Gurnani	WTD & CFO	Not Increased
3.	Mr. Jyoti Gurnani	Woman Director	Not Increased
4.	Mrs. Kritika Todwal	CS	Not increased

**3. Percentage increase in the median remuneration of employees in the Financial Year:**

The median remuneration of employees of the company is same as previous year. There is no change in managerial remuneration.

**Number of permanent employees on the rolls of the Company**

There are total 331 employees in the Company.

**4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**

The average increase in the salaries of all employees for FY 2023-24 was 10.00%. There is no change in average increase in remuneration of managerial personnel. The criteria for remuneration evaluation for all employees is based on an appraisal process which is conducted on annual basis and the remuneration of managerial personnel is based as per Nomination & Remuneration policy. The increase in remuneration also depends on the overall performance of the company, market benchmarks. The company reiterates that there were no exceptional circumstances which warranted an increase in managerial remuneration which was not justified by the overall performance of the company.

**5. Affirmation:**

The remuneration is as per the Nomination Remuneration and Evaluation Policy for the Directors, Key Managerial Personnel and Other Employees of the Company, formulated pursuant to the provisions of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the employee of the company is drawing more than Rs. 102 Lakhs per annum or Rs. 8.50 Lakhs per month for the part of the year, during the year under review. Therefore, particulars of the employees as required under Section 197 of Companies Act, 2013 read with rule 5(2) & rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable during the year under review.

Details of top Ten employees in terms of the remuneration and employees in receipt of remuneration as prescribed under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, containing details prescribed under rule 5(3) of the said rules, will be made available to any member on request, as per provisions of Section 136(1) of the Act.

Pursuant to Section 197(14) of the Companies Act, 2013 neither the Managing Director nor Whole Time Director of the Company received any remuneration or commission from any of its subsidiaries.

**CORPORATE GOVERNANCE REPORT**

Your Company has complied with the Corporate Governance requirements under Companies Act, 2013 and as stipulated under the provisions of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015. A detailed Report on Corporate Governance in **Annexure III** part of this Annual Report.

### **CORPORATE GOVERNANCE CERTIFICATE**

The Company is continuously submitting “Quarterly Compliance Report on Corporate Governance” as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

The certificate from the Practicing Company secretary, **Mr. Govind Jaiswal, C.P. No.19954**, confirming compliance of requirements of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 has been included in **Annexures VIII** of this report.

### **DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The composition of the Board of Directors of the Company is in accordance with the provisions of Section 149 of the Act and Regulation 17 of the Listing Regulations, with an appropriate combination of Executive, Non-Executive and Independent Directors.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company’s Articles of Association, **Mr. Akshay Kumar Gurnani, Whole Time Director, (DIN: 06888193)** retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for reappointment. The Board recommends their reappointment. However, his term is fixed and shall not break due to this retirement. Your Directors have recommended his appointment for approval of the shareholders, in the ensuing Annual General Meeting of your Company.

The Board of Directors, on recommendations of the Nomination and Remuneration Committee have proposed re-appointment **Mr. Hari Krishan Motwani (DIN: 08570545)** as Independent Director of the Company for a second term of 5 (five) consecutive years, as it was approved by the Members of the Company in the 17<sup>th</sup> Annual General Meeting.

Further, the Board praises the contribution given by **Mrs. Varsha Rane Choudhary (ACS: No.39034)** company secretary cum compliance officer of the company. As she resign from the office as on 31<sup>st</sup> January 2024 with the approval of board of directors of the company.

Furthermore, on 1<sup>st</sup> February 2024 Ms. Kritika Todwal who is a member of institute of company secretary of India having **ACS No. A60917** joins as company secretary cum compliance officer, as it was approved by the board of directors in the meeting held on 31<sup>st</sup> January 2024.

The following have been Directors and Key Managerial Personnel during the year.

<b>S. No.</b>	<b>Name of the Directors / KMP</b>	<b>Designation</b>	<b>Date of Appointment</b>
1.	Mr. Akshay Kumar Gurnani	Executive Managing Director and CEO	27/08/2014
2.	Mr. Narain Das Gurnani	Whole-Time Director and CFO	24/05/2016
3.	Mrs. Jyoti Gurnani	Woman Director	27/08/2014

4.	Mr. Sanjeev Kumar Dass	Non-Executive Independent Director	01/09/2022
5.	Dr. Kanwarjeet Singh	Non-Executive Independent Director	06/05/ 2017
6.	Mr. Hari Krishan Motwani	Non-Executive Independent Director	28/09/2019
7.	Mrs. Kritika Todwal	Company Secretary cum Compliance Officer	01/02/2024

### **Disqualifications of Directors**

During the year declarations were received from the Directors of the Company pursuant to Section 164 of the Companies Act, 2013. Board appraised the same and found that none of the director is disqualified for holding office as director.

### **NUMBER OF MEETINGS OF THE BOARD, IT'S COMMITTEES & AGM:**

In total, Nine (9) Board Meetings were held during the year 2023-2024 and the gap between two consecutive meetings did not exceed 120 days as prescribed in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Following is the schedule of Board Meetings:

### **Detail of Board Meetings held**

<b>S. No.</b>	<b>Date of Board Meeting</b>
1.	05 <sup>th</sup> May, 2023
2.	30 <sup>th</sup> May, 2023
3.	14 <sup>th</sup> August, 2023
4.	04 <sup>th</sup> September, 2023
5.	27 <sup>th</sup> September, 2023
6.	09 <sup>th</sup> November, 2023
7.	31 <sup>st</sup> January, 2024
8.	13 <sup>th</sup> February, 2024
9.	06 <sup>th</sup> March, 2024

### **Separate Meeting of Independent Directors:**

Pursuant to the requirements of Schedule IV to the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **Separate Meeting of the Independent Directors** of the Company was also held on **13<sup>th</sup> February, 2024**. The Meeting was conducted in an informal manner without the attendance of non-independent Directors and members of management.

The meeting shall:

- (a) review the performance of non-independent Directors and the Board as a whole;
- (b) review the performance of the Chairperson of the company, taking into account the views of executive Directors and non-executive Directors;
- (c) Assess 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.

**Information on the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee and the Corporate Social Responsibility Committee and meetings of these Committees held during the year is given in the Corporate Governance Report.**

**Further, Annual General Meeting of the Company for the financial year 2022-23 was held on 29<sup>th</sup> September, 2023.**

### **FORMAL ANNUAL EVALUATION**

The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") contain provisions for the evaluation of the performance of:

- (i) The Board as a whole,
- (ii) The individual directors (including independent directors and Chairperson) and
- (iii) Various Committees of the Board.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the Individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Individual Directors, the Board as a whole and its Committees with the Company.

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgments.

All the Relevant details have been provided in the **Corporate Governance Report**.

### **REMUNERATION POLICY**

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules issued there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors formulated the Nomination and Remuneration Policy of your Company on the recommendations of the Nomination and Remuneration Committee. Pursuant to Section 134(3) of the Companies Act, 2013, the nomination and remuneration policy of the Company which lays down the criteria for determining qualifications, positive attributes and independence for



appointment of Directors and policies of the Company relating to remuneration of Directors, KMP and other employees is available on the Company's website at <https://vetoswitchgears.com>.

### **DECLARATION BY AN INDEPENDENT DIRECTOR(S) AND RE-APPOINTMENT, IF ANY**

The Independent Directors have submitted the declaration of independence, as required under Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') as amended from time to time. The terms & conditions for the appointment of Independent Directors of the Company have been separately disclosed in the Corporate Governance Report.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs, Manesar ("IICA"). The Independent Directors are also required to undertake online proficiency self-assessment test conducted by the IICA within a period of 2 (two) years from the date of inclusion of their names in the data bank, unless they meet the criteria specified for exemption.

Dr. Kanwar Jeet Singh, Independent Director of the Company is exempt from the requirement to undertake online proficiency self-assessment test.

Mr. Hari Krishan Motwani and Mr. Sanjeev Kumar Dass, Independent Directors of the Company had been cleared online proficiency self-assessment test.

### **Statement with regard to integrity, expertise and experience of the independent director appointed during the year.**

During the year under review, the Board has appointed/ re-appointed Independent Director in the Company. However, in the opinion of the Board, all our Independent Directors possess requisite qualifications, experience, expertise and hold high standards of integrity for the purpose of Rule 8(5)(iiiia) of the Companies (Accounts) Rules, 2014. List of key skills, expertise and core competencies of the Board, including the Independent Directors, is provided in Corporate Governance Report.

### **COMMITTEES OF BOARD**

The Company has various committees which have been constituted as a part of the good corporate governance practices and the same are in compliance with the requirements of the relevant provisions of applicable laws and statutes. Following are the four Committees of the Board namely:

- a) Audit Committee
- b) Nomination and Remuneration & Compensation Committee
- c) Corporate Social Responsibility (CSR) Committee
- d) Stakeholders' Relationship Committee

Detail of all the Committees along with their composition, charters duties, responsibilities, activities and meetings held during the year, have been provided in the "Report on Corporate Governance" as part of this Annual Report.

<b>Name of Committee</b>	<b>Composition of Committee</b>
Audit Committee	1. Mr. Sanjeev Kumar Dass - Chairman 2. Mr. Hari Krishan Motwani 3. Mr. Narain Das Gurnani
Nomination and Remuneration Committee	1. Mr. Sanjeev Kumar Dass - Chairman 2. Dr. Kanwarjeet Singh 3. Mr. Hari Krishan Motwani
Shareholders'/Investors' Grievance Committee	1. Mr. Sanjeev Kumar Dass - Chairman 2. Mr. Narain Das Gurnani 3. Mr. Hari Krishan Motwani
Corporate Social Responsibility Committee	1. Mr. Sanjeev Kumar Dass - Chairman 2. Mr. Hari Krishan Motwani 3. Mr. Narain Das Gurnani

The Committee comprises of majority of Independent Directors.

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The constitution, composition, terms of reference, role, powers, rights, obligations of 'Corporate Social Responsibility Committee ['CSR Committee'] are in conformity with the provisions of Section 135 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. Relevant details have been provided in the **Corporate Governance Report**.

During the year under review, the Company has spent Rs.60.16 lacs on Corporate Social Responsibility as per the CSR policy of the Company. Which is 2% of average net profit of last three immediately preceding financial years. Detailed information report on the CSR initiatives taken during financial year 2023-24 is given in **ANNEXURE-IV**.

The Company has focused on social cause, Health, Education and other Humanitarian Causes implementation of its Corporate Social Responsibility as per Schedule VII of the Companies Act, 2013.

The CSR Policy is available on the Company's website, which is accessible through weblink. <https://vetoswitchgears.com>.

### **ENVIRONMENT, HEALTH AND SAFETY**

VETO is committed towards caring for people and the planet by integrating environmental and safety principles in all the aspects of its business from procurement to material usage, from manufacturing of sustainable products to creating awareness through marketing or through innovation / R&D for better products and processes. We constantly monitor and innovate our environmental and occupational health and safety performance through our internal risk management mechanism. At the compliance level, your Company confirms to all applicable regulatory Environmental Health & Safety (EHS) requirements wherever it operates.

Our Company is sensitive towards environmental and resource conservation and its manufacturing philosophies which ensure safety of the workers and surroundings. Being in a non-polluting category of business, it causes minimal impact on the environment but has a huge positive impact on the local community. Restrictions of Hazardous Substances (RoHS) compliance in all its products like CFLs, cables, PCBs, etc. ensures safety across the product life cycle. Our Company strongly believes and promotes energy conservation not only through its products but also within the premises. Energy conservation measures have been adopted at all the plants.

Our Company follows best practices for health and safety. Employees and workers are regularly trained by industry experts on issues of occupational and industrial health & safety, first-aid and environment management. Healthy lifestyle and well-being are also promoted as a culture at VETO. Our Company also provides life insurance cover, personal accident cover and robust medical & health policies to all field staff against any unfortunate incident. VETO strongly believes in maintaining a balanced work-life and therefore follows strict in-and-out work-timings. This has gone a long way in maintaining a healthy, happy and motivated workforce.

Our approach at workplaces was strategically formulated and implemented, considering the nature of working site, employee strength, floor density and other relevant attributes

### **RISK MANAGEMENT**

The Company has framed and implemented Risk Management Policy to identify the various business risks. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The risk management policy defines the risk management approach across the enterprise at various levels including documentation and reporting.

### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3) (c) of the Companies Act, 2013, the Directors to the best of their knowledge hereby state and confirms that:

- (a)** in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b)** the Directors had selected such accounting policies, being applied them consistently and make judgments & 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 31<sup>st</sup> March 2024 and profit of the Company for that period;
- (c)** the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d)** the Directors had prepared the annual accounts on a going concern basis;
- (e)** the Directors had laid down proper internal financial controls have been laid down which are adequate and are operating effectively; and
- (f)** the Directors had devised Proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **RELATED PARTY TRANSACTIONS**

In line with the requirements of the Companies Act, 2013 and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions. During the year under review, the Policy has been amended to incorporate the regulatory amendments in the SEBI Listing Regulations. The updated Policy can be accessed on the Company's website at **www.vetoswitchgears.com**

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted. Thus, disclosure in form **AOC-2** in terms of Section 134 of the Companies Act, 2013 is not required.

The Company has put in place a mechanism for certifying the Related Party Transactions, A Statements placed before the Audit Committee and the Board of Directors from an Independent Chartered Accountant.

All Related Party Transactions are placed before the Audit Committee and also to the Board for approval. Omnibus approval was obtained on yearly basis for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are audited and a statement giving details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval.

However, Details of related party transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in the notes to the standalone/ consolidated financial statements forming part of this Report & Annual Accounts 2023-24.

## **ANNUAL RETURN**

A copy of the Extracts of the Annual Return of the Company as required under section 134(3)(a) of the Companies Act, 2013, in Form MGT-9, as they stood on the close of the financial year i.e. 31<sup>st</sup> March, 2024 is furnished in **Annexure V** and forms part of this Report.

Further, a copy of the Annual Return of the Company containing the particulars prescribed u/s 92 of the Companies Act, 2013, in Form MGT-7, as they stood on the close of the financial year i.e. 31<sup>st</sup> March, 2024 is uploaded on Company's website: <https://vetoswitchgears.com>.

## **AUDITORS**

### **STATUTORY AUDITORS**

The Board of Directors, as recommended by the Audit Committee and being subjected to shareholder's approval appointed SGCO & CO LLP (Firm Registration No. \_\_\_\_\_) for a term of 5 (five) consecutive years at the 17<sup>TH</sup> Annual General Meeting held on 28<sup>th</sup> September, 2024.

## **OBSERVATION**

The observations of Statutory Auditor in its reports on standalone and consolidated financials are self-explanatory and do not contain any qualification, reservation or adverse remark or disclaimer.

### **DETAILS**

There was no fraud in the Company, which was required to report by Statutory Auditors of the Company under sub-section (12) of Section 143 of Companies Act, 2013.

### **COST AUDITORS**

As per Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice.

M/s. Rajesh & Company, Cost Accountants (Firm Registration Number No. 000031) were re-appointed as the Cost Auditor of the Company for the year ending 31<sup>st</sup> March, 2025. The due date for filing the Cost Audit Report of the Company for the financial year ended 31<sup>st</sup> March, 2024 was filed in XBRL made by the Cost Auditor within due date.

Based on the recommendation of Audit Committee, the Board of Directors re-appointed M/s. Rajesh & Company, Cost Accountants (Firm Registration Number No. 000031) as Cost Auditor to audit the cost accounts of the Company for the Financial Year 2024-25, Cost Auditors have confirmed that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Companies Act, 2013.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditors are 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 M/s. Rajesh & Company; Cost Auditors forms part of the AGM Notice.

### **SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board re-appointed Mr. Govind Jaiswal & Co., Practicing Company Secretary, Jaipur to conduct Secretarial Audit for the Financial Year 2024-25.

The Secretarial Audit Report (MR-3) for the Financial Year ended 31<sup>st</sup> March 2024 is annexed herewith marked as **Annexure VI** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Further, pursuant to the provisions of Section 204 of the Act, the Board of Directors on the recommendation of the Audit Committee had appointed Mr. Govind Jaiswal & Co., Practicing Company Secretary, Jaipur, as Secretarial Auditors of the Company for issuing the Secretarial Audit Report for the financial year 2024-25.

### **SECRETARIAL AUDIT OF MATERIAL UNLISTED SUBSIDIARY COMPANY**

Vankon Modular Private Limited, a material subsidiary of the Company undertakes Secretarial Audit under Section 204 of the Companies Act, 2013. The Secretarial Audit of Vankon Modular Private Limited for the Financial Year 2023-24 was carried out pursuant to Section 204 of the Companies Act, 2013 read with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Secretarial Audit Report of Vankon Modular Private Limited submitted by Mr. Govind Jaiswal & Co., Practicing Company Secretary, Jaipur, does not contain any qualification, reservation or adverse remark or disclaimer. The Secretarial Audit Report given by the Secretarial Auditor of the Company is annexed as **Annexure VII** and forms an integral part of this Report.

### **ANNUAL SECRETARIAL COMPLIANCE REPORT**

The Company has undertaken an audit for the financial year 2023-24 for all applicable compliances as per SEBI Regulations and Circulars/ Guidelines issued there under. Pursuant to provision of Regulation 24A, the Annual Secretarial Compliance Report was obtained from Mr. Govind Jaiswal & Co., Practicing Company Secretary, Jaipur, Secretarial Auditors and submitted to the stock exchanges within 60 days of the end of the financial year.

### **INTERNAL AUDITORS**

Pursuant to the provisions of the Companies Act, 2013 read with corresponding Rules framed thereunder. The Board of Directors has re-appointed **Mr. Kunal Sanghi, Chartered Accountant** as Internal Auditor to conduct the internal audit of the various areas of operations and records of the Company. The periodic reports of the said internal auditors are regularly placed before the Audit Committee along with the comments of the management on the action taken to correct any observed deficiencies on the working of the various departments.

The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations including those relating to strengthening of the Company's risk management policies and systems.

### **CODE OF CONDUCT**

The Board has put in place a Code of Conduct for Directors and Senior Management of the Company in line with the provisions of the Act and the Listing Regulations. The Code is available on the website of the Company.

All Board members and senior management personnel have confirmed compliance with the Code has been included in **Annexures X** of this report. Declaration on adherence to the code of conduct is forming part of the Corporate Governance Report.

### **MD/CFO CERTIFICATION**

In terms of requirement of Regulation 17(8) read with Part B of Schedule II of Listing Regulations, Mr. Akshay Kumar Gurnani, Managing Director cum Chief Executive Officer and Mr. Narain Das Gurnani, Whole Time Director cum Chief Financial Officer of the Company have furnished certificate to the Board in the prescribed format certifying that the financial statements do not contain any materially untrue

statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed in **Annexures XI** of this Report. The said certificate had been reviewed by the Audit Committee and the same was taken on record by the Board at the Meeting held on 30<sup>th</sup> April 2024.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There were no significant material orders passed by the Regulators/Courts/Tribunals which would impact the going concern status of the Company and its future operations.

#### **DETAILS WITH RESPECT TO ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

Your Company's internal control system is commensurate with its scale of operations designed to effectively control the operations. The internal control systems are designed to ensure that the financial and other records are reliable for the preparation of financial statements. Independent Internal Auditor conduct audit covering a wide range of operational matters and ensure compliance with specified standards. Planned periodic reviews are carried out by Internal Auditor. The findings of Internal Audit are reviewed by the top management and by the Audit Committee of the Board of Directors. The Audit Committee reviews the adequacy and effectiveness of internal control systems and suggests ways of further strengthening them, from time to time. Report of statutory auditors for internal financial control system is part of Audit Report.

The Company has robust internal financial controls systems, which is in line with requirement of the Companies Act, 2013, which is intended to increase transparency & accountability in an organization's process of designing and implementing a system of internal control. This provides the Directors with reasonable assurance regarding the adequacy and operating effectiveness of controls with regards to reporting, operational and compliance risks. The Company has devised appropriate systems and framework including proper delegation of authority, policies and procedures, effective IT systems aligned to business requirements, risk based internal audits and, risk management framework.

#### **REPORT UNDER THE PREVENTION OF SEXUAL HARASSMENT ACT**

In accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, the Company has in place a policy which mandates no tolerance against any conduct amounting to sexual harassment of women at workplace and ensures that workplaces remain free from sexual harassment and provides a safe and secure environment for women.

As a good corporate citizen, Veto is committed to a gender friendly workplace. It seeks to enhance equal opportunities for men and women, prevents/stops/redresses sexual harassment at the workplace and institute good employment practices. Veto has established suitable processes and mechanisms to ensure and address issues on sexual harassment, if any, maintaining an open door for repartees. Veto encourages employees to report any harassment concern and is responsive to complaints about

harassment or any other unwelcome and offensive conduct. An Internal Complaint Committee has been constituted to enquire into the complaints and recommend appropriate action, wherever required. Veto demands, demonstrates and promotes professional behavior and respectful treatment of all employees.

The summary of complaints received and disposed-off during the Financial Year 2023-24 were as under:

Number of complaints received: **NIL**

Number of complaints disposed off: **Not Applicable**

### **CREDIT RATING**

Your Company has been ascribed **long-term rating of BBB+ (ICRA triple B plus)** for the tenure of long term facilities, which includes facilities of more than a year. Along with that your company has been allotted **Short-term rating ICRA A2 (A Two) by ICRA Limited** for the tenure of short term facilities, which includes facilities relating and limited to a year. Further the outlook of long term rating is **“Stable”**.

### **COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

### **DEPOSITORY SYSTEM**

Our Company's Equity Shares are in dematerialized form through The National Securities Depository Limited (NSDL) and The Central Depository Services (India) Limited (CDSL). The Company has already set the requisite facilities for dematerialization of its Equity Shares in accordance with the provisions of Depository Act, 1996 with National Securities Depository Limited and Central Depository Services (India) Limited. The Company had entered into agreements with both the Depositories. Accordingly, Post IPO, shares of the Company are held in demat form.

### **LISTING OF SHARES**

The shares of the Company are listed on recognized Stock Exchanges i.e. at BSE Limited & at National Stock Exchange of India Limited and the listing fee for the year 2023-24 has been duly paid.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS & OUTGO**

Particulars in consonance with conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the companies (Accounts) Rules, 2014:

#### **(A) CONSERVATION OF ENERGY**



The Company contributes to environmental protection by abiding sustainable business practices, it supports optimum utilisation of resources resulting to overall environmental and sustainable growth. The Company supports eco- friendly environment via optimum consumption of natural resources and restricts itself from over utilising and exploitation of the same.

**(i) The steps taken or impact on conservation of energy**

- Replacement of conventional light fittings with LED light fixtures
- Usage of “Servo Machine” for plastic moulding instead of non-servo machines to save power by 15%.
- Use of “UV process” instead of lamination for packaging, a chemical treatment of paper which is biodegradable and 100% recyclable.
- Redesign of pay off fixtures in cables division to reduce energy consumption by 40%.
- Optimisation of products and processes to minimise waste generation and address environmental and safety concern.
- Use of power saving lamps for assembly areas
- Optimum utilisation of available resources and eliminating ideal running of machines.
- Implementing best practices across all plants by using energy efficient equipment.

**(ii) The steps taken by the Company for utilising alternate sources of energy**

- Installation of Solar panel of 15 Kw having capacity to operate 150 tube lights and 40 heavy motor fans.

**(iii) The capital investment on energy conservation equipment**

- Investment of Rs. 15 lacs on solar panel.

**(B) TECHNOLOGY ABSORPTION**

The Company is constantly upgrading the technology used in production process to foster the growth of technical environment. It tends to acquire technical know-how from time to time for managing its position in the market and also to deal with the competitive world. This has enabled the Company to keep abreast with the latest developments in product technology, manufacturing process and methods, quality assurance and improvement, marketing, management systems.

**(i) The efforts made towards technology absorption:**

- Launched new product range VYOMA for modular switches.
- Creating breakthrough technologies for new businesses.
- Launched new variant of OCEAN having double ball bearing motor.
- The company is focused on nurturing an innovative culture.
- Design and development of energy efficient induction motor for ceiling fans.

**(ii) The benefits derived like product improvement, cost reduction, product development or import substitution**

- To attain market leadership and competitive advantage, the company went through various upgradations and improvements.
- Improvement in production chain.
- Development of in house domain expertise to support product development.
- Innovating products to deal with ever - changing needs and environment.
- Customizing products with need of the hour and with view of customer satisfaction.
- A variety range of products with unique colour combinations suitable to consumer needs.
- Quality improvement and increased productivity.

**(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year**

The company imported indispensable resources as they were available at reasonable prices as compared to the native country. Such resources have been utilised to their full efficiency and it has given a good impact on the product as well.

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

The company imports some technology for production of final goods, such import is necessary for the creation of final product (the output). It manages such imports as it is more feasible for the company keeping in mind the financial resources.

(Amount in Rs.)

<b>PARTICULARS</b>	<b>AMOUNT</b>
Foreign exchange earnings in terms of actual inflow	1,01,29,810/-
Foreign exchange outgo in terms of actual outflow	0

**Management Discussion and Analysis**

As per the terms of Regulation 34(2)(e) of the Listing Regulations, the Management Discussion and Analysis Report forms part of this Annual Report.

The Company tends to grow its environment in several aspects such as financial, human resource level, capital resource, technological, controlling and etc. keeping in mind its competitors and others threats in the market.

**(a) Industry structure and developments**

The Russia-Ukraine war disrupted the chances of global economic recovery from the COVID-19 pandemic, at least in the short term. The war between these two countries has led to economic sanctions on multiple countries, a surge in commodity prices, and supply chain disruptions,

causing inflation across goods and services and affecting many markets across the globe. The electrical and electronics market is expected to grow to \$4986.91 billion in 2027 at a CAGR of 7.5%. The renewable generation sector is a promoting and advancing alternative for green power generation. The main challenge with these resources is their uncertain power output, which can be compensated with storage systems and strong uncertainty management decision-making tools.

The escalating rate of global power consumption generates huge carbon emissions. Thankfully, electrical energy pollution is on the decrease in 2023 thanks to the widespread adoption of new, greener lighting solutions with lower energy profiles and higher illumination quality. People today want their lights to be part of a super convenient and personally expressive domestic experience, and manufacturers are stepping up to the challenge. LED lighting in residential settings will continue to grow in popularity due to their several advantages. These include using up to 75% less energy while boasting a life expectancy that is 25 times longer than incandescent lights. (Source: <https://yourpowerpro.com>)

The Government of India have also taken efficient measures for the growth of industry such as the “Go Green” program the new ‘jeevan mantra’: Make in India 2.0 seeking to protect the domestic manufacturers and pushing them up the value chain.

### **Company Overview**

Veto Switchgears and Cables Limited is a diversified manufacturer of wires & cables, electrical accessories, industrial cables, fans, CFL lamps, pumps, modular switches, LED lights, immersion heater, MCB and distribution board, keeping in view the market demands and customer needs it tends to give satisfactory products to its customers. Having a diversified vision in every aspect of electrical manufacturing it believes in innovation and manages with dynamic changes in the market. Along with that Veto is India’s first company to produce ISI mark electrical accessories

The company has a strong team of highly qualified professionals who strive to innovate the best products with the use of advanced high tech machinery. A strong distribution network of 2500 dealers across the country to provide our quality products to our valued customers. The company is manufacturing all types of housing wires under the brand name **VIMAL POWER** which is a renowned brand in the western region of India. Company strives to set new benchmarks in providing high quality products at competitive rates.

### **(b) Opportunities and threats**

#### ➤ **Opportunities:**

- **Dynamical:** The company has made immense efforts to sustain in the ever changing dynamic market, having unique style, variants and being satisfactory to consumer needs, it has evolved in maintaining such position.
- **Adaptable:** The nature being unstable and having variations according to demands and needs of the hour, the company is adaptable to frequent changes and balancing its position for adapting changes entering in the market. It also focuses on getting informed prior to its competitors so that it can take advantage of the same.
- **Prosperity and living standards:** Consumer preferences keeps on changing with respect to their income and it encourages consumers to shift their preferences to high quality appliances, modern solutions matching with their living standards.

- **Power saving products:** Consumers have known the importance of environment and they are also concern about it, they prefer products which are energy efficient so that it can help in saving environment as well as bills.
- **Threats:**
  - **Competitive intensity:** For having a competition balance the industry is growing well, with this, new players come to the market which leads to greater competitive intensity.
  - **Inflation rate:** High inflation rate results in slowdown of the economy which triggers a challenge to the business.
  - **Demand:** In this ever changing and developing environment, demand for the products keeps on changing affecting the production cycle of the product.

### **(c) Segment-wise Performance**

Veto brand is established in electrical industry since 1967 by delivering wide range of Wires & Cables, Electrical Accessories, Industrial Cables, Fans, etc. With each opportunity we intend to make best out of it, having view of customer satisfaction we encourage our team for betterment of the industry as a whole. Our segments are: -

- **WIRES AND CABLES**

The global wires and cables market is projected to grow from \$200.23 billion in 2022 to \$294.73 billion in 2029, at a CAGR of 5.7% in forecast period. Increasing investments in transmission and distribution of electric power and growth in demand from data centres and the telecom industry will drive the wires and cables market growth during the projected period. High cash inflow in smart grid projects and up-grading power transmission systems are also expected to boost the demand for wire and cables. **(Source: [www.fortunebusinessinsights.com](http://www.fortunebusinessinsights.com))**

Construction cables and wire sector anticipated to see steep growth in demands in coming days owing to huge government's spending in infrastructure, smart cities and real estate boom. The growing trend of upgrading and replacing existing electric infrastructure has created a positive growth scenario for the wire and cable market. Increasing electricity demand due to population increase and fast industrialisation would propel market growth.

**Company's wires and cables division registered revenues of Rs. 7,267.63 Lakhs during FY 2023-24 as compared to revenues of Rs. 6319.16 Lakhs in FY 2022-23.**

- **ACCESSORIES & OTHERS**

The global switchgear market size is projected to reach \$170.40 billion by 2027, exhibiting a CAGR of 6.6% during forecast period. The rapidly growing electrification need in remote areas coupled with the increasing electricity generation has positively affected the growth of various electrical equipment. The increasing targets by regional government for delivering electricity in rural areas and rising investments in this industry are the key switchgear market trends that are projected to cater the market growth. **(Source: [www.fortunebusinessinsights.com](http://www.fortunebusinessinsights.com))**

Electrical switchgear is a combination of electrical components designed to regulate, control, and protect the electricity generation, transmission, and distribution equipment. The global electrical switchgear market is anticipated to grow in the coming years owing to the rise in demand for medium and high voltage electrical switchgear. Also, the increasing demand for transformers is expected to fuel the growth of this market segment, as revenue in the electrical switchgear market is directly proportional to demand transformers.

Distribution of electricity in the real estate, construction, and industrial infrastructure sector requires several electrical components. Therefore, the growth in these sectors is expected increase the safety measures in electrical transmissions, fueling the demand for electrical switchgear. The high demand for integrating renewable energy sources in the power and energy sector will continue to drive the demand for electrical switchgear to ensure safety and protection of electricity transmission and distribution networks. (Source: [www.infinitiresearch.com](http://www.infinitiresearch.com))

**Company's accessories & others division registered revenue of Rs. 5215.54 Lakhs during FY 2023-24 as compared to revenues of Rs. 4535.15 Lakhs in FY 2022-23.**

- **LIGHTINGS AND FITTINGS**

The global lighting size is projected to reach USD 163.72 billion by 2027, exhibiting a CAGR of 4.3% during forecast period. Light play an important role in every sector. The applications of light in activities such as interior designing, photography and other uses are rising with the increase in population and fascinating demands of such population. Numerous scientists have indicated the usage of LEDs in growing plants through practical evidence. Demand for LED plays an important role in plant growth and development, as its converts electricity into light by using the properties of metal, thereby delivering white light.

Government in several countries across the world are focusing on implementing regulations on energy efficient products. In our country Government is focused on developing new houses for homeless people, which in turn is driving the lighting market growth in the region. Furthermore, over the past few decades, the industry has witnessed the integration of concepts such as artificial intelligence and the Internet of things (IoT). The use of these concepts has allowed light manufacturing companies to develop innovative products. (Source: [www.fortunebusinessinsights.com](http://www.fortunebusinessinsights.com))

Veto is well placed in the smart lighting, LED, fan, CFL and other fancy lighting segment with a strong product profile, well-entrenched trade network along with supportive consultants and contractors. It is more inclined towards producing and selling lights at minimum rates, so that people can afford and use it for a long duration of time.

**Company's lightings and fittings division registered revenues of Rs. 8472.28 Lakhs during FY 2023-24 as compared to revenues of Rs. 8752.16 Lakhs in FY 2022-23.**

#### **(d) Outlook**

The company has a diversified product portfolio and well maintained distribution network. The management of the company is quite experienced and understanding, coping with all the changes in the industry. Teamwork is a core of the company as work is done with less time yet

efficiently. The rapid pace of innovations in the field is stimulating consistent demand for newer and faster equipment. Technological development is a key to attracting both consumers and business users for either replacing or upgrading the older products with advanced version. The level of competitive intensity has increased significantly in recent times. However, the strength of the Company's product portfolio, its distribution network and its brands will enable it to successfully deal with competitive pressures. The company intends to provide maximum satisfaction to its customers, employees and the environment. It plans to grow its sectors with innovative ideas relating to consumer preferences, keeping in mind substantial and bio-degradable products having a motive of optimum utilization of resources.

**(e) Risks and concerns**

1. Common risks such as accidents in the workplace, fires, etc.
2. Natural disasters such as earthquake, tornadoes, etc.
3. Uncertainties in financial market
4. Credit risk
5. Interest rate risk
6. Security and storage of data and records
7. Disruption in supply chain
8. Financial instruments affected by market risk including loans, borrowings, trade payables and deposits.

The Company has a risk identification and management framework appropriate to it and to the business environment under which it operates. Risks are being identified at regular intervals by the Board.

The Company has a Risk Management Policy, which provides an overall framework of Risk Management in the Company. The Board of Directors are responsible for the assessment, formulation and implementation of guidelines, managing key risks, risk minimization procedures and periodicals review.

**(f) Internal control systems and their adequacy**

The company has adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed according to the requirements of the Companies Act, 2013 and the globally accepted framework issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission, to provide reasonable assurance with regard to recording and providing reliable financial and operational information, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance with corporate policies. The company has a well-defined manual for delegation of authority, approving revenue and expenditure. The company uses an updated system to record data for accounting, consolidation and management information, connecting to different locations for the exchange of information. The Audit Committee of the board periodically reviews Internal Audit reports, progress in implementation of Committee's recommendations and the adequacy of internal control systems.

**Vigil Mechanism and Whistle Blower Policy**

The Policy provides a framework to promote responsible and secure reporting of undesirable activities ("whistle blowing"). Through this Policy, the Company seeks to provide a mechanism to the whistleblower to disclose any misconduct, malpractice, unethical and improper practice taking place in the Company for appropriate action and reporting, without fear of any kind of

discrimination, harassment, victimisation or any other unfair treatment or employment practice being adopted against the whistleblower.

The Audit committee of the company oversees vigil mechanism process of the company pursuant to the provisions of the Act. Employees may also report to the chairman of the Audit committee. A report on the functioning of the mechanism, including the complaints received and actions taken, is presented to the Audit committee on a quarterly basis.

**No complaints were received during the financial year 2023-24.**

**(g) Financial Performance with respect to operational performance**

This has been mentioned in Director’s Report.

**(h) Human Resources / Industrial Relations**

Veto encourages a culture of trust and mutual respect, it strongly believes that its employees are the key pillar of your Company’s success in the market. The talent pool of the company has steadily evolved with changing times with fresh talent being infused to meet demanding situations. Apart from continued investment in skill and leadership development of its people, the Company has also focused on employee engagement initiatives and drives aimed at increasing the culture of innovation and collaboration across all division of the workforce. Your Company’s people strategy is aligned with its overall vision to be the pioneer in shaping the future of sustainable energy and your Company is committed to nurturing a cordial and diversified work environment in a growing market.

We humbly acknowledge the contribution with competitive compensation and benefits that appropriately reward performance. Inspired by the commitment to quality and core values of honesty and transparency, the directors and employees look forward to the future with confidence and stand committed for creating a brighter future for all our stakeholders.

**The company have strength of 331 employees as on 31<sup>st</sup> March, 2024.**

**KEY FINANCIAL RATIOS:**

<b>Ratio</b>	<b>FY 2023-24</b>	<b>FY 2022-23</b>	<b>Change</b>	<b>Remarks</b>
Current Ratio (times)	6.51	4.58	39.77	The ratio has impacted mainly because of Decrease in Current liabilities
Debt- Equity Ratio (times)	0.05	0.13	(58.28)	The ratio has impacted improved because repayments of outstanding borrowing and interest on the same.
Debt Service Coverage Ratio	0.09	0.10	(6.17)	Variance not more than 25%

Return on Equity (ROE)	0.14	0.11	18.61	Variance not more than 25%
Inventory turnover ratio	3.05	2.86	6.74	Variance not more than 25%
Trade Receivables Turnover Ratio	2.35	2.46	(4.25)	Variance not more than 25%
Trade Payable Turnover Ratio	13.98	13.99	(0.06)	Due to increase in Trade Payables
Net Capital Turnover Ratio	1.52	1.61	(5.70)	Variance not more than 25%
Net Profit Ratio	0.13	0.11	21.02	Variance not more than 25%
Return on Capital Employed (ROCE)	0.17	0.15	15.88	Variance not more than 25%
Return on Investment (ROI)	50.18	22.04	127.62	The ratio has impacted mainly because of redemption of investment and increase in Dividend Income.

## **COMPETITION**

The market comprises of international and regional / local vendors who faces intense competition from the unorganized vendors. The regional and unorganized players in the market offer products at a comparative price which induces the well-established international electric wire and cable manufacturers to focus on differentiating their products to sustain their market shares. In addition to innovative product offerings, cable and wire manufacturers have also entered into various business strategies such as mergers and acquisitions to acquire new technologies and have expanded their customer reach.

The leading vendors in the market are –

- Finolex Cables
- Havells India
- KEI Industries
- Polycab Wires

The other prominent vendors in the markets are Cable Corporation of India, Apar Industries Limited, Cords Cable Industries, KEC International, LS Cable India, Shilpi Cable Technologies, Universal Cable, and V-Guard Industries, Orient Electric Ltd, Crompton Greaves Consumer Electrical Ltd, ABB India Ltd and Siemens Ltd.



Your company has strong and efficient team of marketing professionals, dealers and distributors and is very well prepared to face the competition and to cater the consumer needs by enhancing its own brand in the industry.

### **MARKETING SETUP**

Veto holds a major part of market share of electrical accessories in India. The company has a strong and efficient team of marketing professionals, dealers and distributors. Our Promoters carry and share their vast experiences in the marketing segment of wires and cables, electrical accessories & other allied products. They have been indulging into manufacturing and marketing segments for Veto Brand products for the past over 55 years. Veto holds a recognized reputation among its dealer network consisting of more than 3000 in numbers. The selling price of the components to be manufactured is decided on the basis of design complexities, material used, process gone through, quantity, period of supply, etc.

Your Company had major earnings from the state of **Rajasthan and Karnataka** and now **Madhya Pradesh and Uttar Pradesh** also forms the part of the major earnings due to our continuous focus on widening and covering more and more states of India. Almost 15 states have become a major part of our distribution network, including **Gujarat, NCR, Haryana, Punjab, Himachal Pradesh, J&K, Uttarakhand, Assam, Andhra Pradesh, Telangana, Kerala, Maharashtra and Tamilnadu**. The company has broadened its network and distribution channels. Our products are marketed in both domestic and international markets. We have also entered into International Market by distributing our dynamic varieties of electrical products in cities of UAE and got a major success over there. The company and its Board is continuously putting efforts toward making Veto a globally established brand.

### **STRENGTH & WEAKNESS**

#### ➤ **Strength**

- Established brand in North West India, South and central
- Experienced management team
- Organized and comprehensive product offering
- Established reputation for quality products
- Driving growth through innovation and marketing
- Our relationship with customers
- Our relationship with more than 3000 dealers
- Dedicated team of technical manpower
- Union Budget allocated high expenditure in IFRA Sector
- "Pradhan Mantri Awas Yojana" in Remote Area

#### ➤ **WEAKNESS**

- Players in regional market.
- Any avoidance of rules of Government caused under unavoidable circumstances may have an adverse impact on the project.
- Dependency on suppliers of raw materials.

## **DISCLAIMER CLAUSE**

Statements in Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions are forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those either expressed or implied. Important factors that could make a difference to the Company's operation include among others, economic conditions affecting demand /supply and price conditions, variation in prices of raw materials, changes in Government regulations, tax regimes, economic developments and other incidental factors.

## **OTHER DISCLOSURES**

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

- As on 31<sup>st</sup> March 2024, none of the Directors of the company hold instruments convertible into equity shares of the Company.
- Company has not granted any stock option or issue sweat equity shares during the year.
- The Business Responsibility Reporting as required by Regulation 34(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is not applicable to your Company for the financial year ending March 31<sup>st</sup>, 2024.
- No application was made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year in respect of your Company.
- There was no one-time settlement of loan obtained from the Banks or Financial Institutions.

## **ACKNOWLEDGEMENT**

We thank our customers, vendors, investors and bankers for their intense support throughout the year. We place on record our appreciation of the contribution made by our employees at all levels. We thank the Government of India, particularly the Ministry of Commerce, Ministry of Finance, Ministry of Corporate Affairs, the Custom and Excise Departments, Income Tax Department, the Reserve Bank of India, the State Government(s) and other government agencies for their support, and look forward to their continued support in the future.

**Date: 03/09/2024**

**Place: Jaipur**

**For and on behalf of the Board of Directors**

**Akshay Kumar Gurnani**  
**Managing Director & CEO**  
**DIN: 06888193**

**Narain Das Gurnani**  
**Whole-Time Director & CFO**  
**DIN: 01970599**

## **Subsidiary Companies Brief**

### **1. VETO ELECTRICALS PRIVATE LIMITED**

Veto Electricals Private Limited (“VEPL”) having CIN U31300RJ2008PTC026189 was incorporated on March 24<sup>th</sup>, 2008 vide Certificate of Incorporation issued by the Registrar of Companies, Rajasthan, at Jaipur.

On November 22<sup>nd</sup> 2014 Veto Electricals Private Limited became the Wholly Owned Subsidiary Company of the Company.

On May 29<sup>th</sup>, 2017 Veto Electricals Private Limited inaugurated its manufacturing plant (100% Export Unit) at Mahindra SEZ, Jaipur and started its commercial Production on July 1<sup>st</sup> 2017.

The main object of VEPL is to carry in India or elsewhere all any of the business of general merchants, manufacturers, buyers, seller, importers, exporters, traders, procurers, retailers, distributors, franchises and collaborators in all kinds and every description of wires, cables, electrical fans and accessories, PVC wires, copper conductors, aluminum conductors or other conductors made of any of the substance, electrical lamps including vacuum and gas filled lamps, general lighting lamps, luminaries and accessories etc. and other appliances, cables, wire lines and all types of machinery, plant or apparatus and things required for or capable of being used in connection with the manufacture of the above and business related commercial activities and services, merchandise, electrical and electronic goods at outright commission basis or through departmental stores, super markets, chain stores of electrical and electronic items.

#### **Registered Office**

The registered office of the Company is located at 4<sup>th</sup> Floor, Plot No. 10, Days Hotel, Airport Plaza Scheme, Behind Hotel Radisson Blu, Durgapura, Tonk Road, Jaipur – 302018 (RJ) India.

#### **Capital Structure and Shareholding Pattern**

The authorized share capital of VEPL is Rs. 9,00,00,000/- divided into 90,00,000 equity shares of Rs. 10/- each. The issued, subscribed and paid- up share capital is Rs. 9,00,00,000/- divided into 90,00,000 equity shares of Rs. 10/- each.

The shareholding of Veto Switchgears And Cables Limited is of 100%.

#### **Board Composition**

- Mr. Akshay Kumar Gurnani
- Mr. Govind Ram Thawani
- Mr. Jitendra Kumar

### **2. VETO OVERSEAS PRIVATE F.Z.E (FOREIGN SUBSIDIARY)**

Veto overseas Private F.Z.E, in Ajman (U.A.E.) was incorporated on 11<sup>th</sup> Oct 2015 by the consent of the Board of Directors of our company vide resolution passed on August 31<sup>st</sup> 2015. It is Wholly Owned Subsidiary Company of Veto Switchgears and Cables Limited.

**Address:**

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SM-Office-C1-520B Ajman Free Zone, Ajman (UAE)

### **Capital Structure and Shareholding Pattern**

Current Capital 64,75,000 AED and minimum paid up capital of 64,75,000 AED. It has earned revenue of 65,82,103 AED for the year ended 31<sup>st</sup> March 2022. The Company has declared profit of 32,861 AED.

### **Management**

Mr. Ashish Goklani currently holds the position of the Manager of Veto Overseas Private F.Z.E. He is authorised by the Board to do all other necessary things relating to Local Authorities, Government or Semi Government Department Ministries, Free Zone Authority, all companies establishment or other business and sign on necessary documents. He is further authorised to open bank accounts, borrow monies for and on behalf of the company and avail financing facilities from Banks and Financial Institutions and to pledge/hypothecate/mortgage any asset of the company and can also give third party guarantee on the behalf of Veto Overseas Private F.Z.E.

*\*\* During this reporting period, the Company has undertaken the closure of its wholly-owned subsidiary, "VETO OVERSEAS PRIVATE FZE" located in Dubai. This decision was made following a comprehensive review of the subsidiary's financial performance, strategic alignment with the Company's long-term goals, and the evolving market conditions in the region.*

*The closure of subsidiary, "VETO OVERSEAS PRIVATE FZE" is expected to streamline our operations, reduce costs, and allow the company to focus resources on core markets that offer higher growth potential. All necessary legal and regulatory processes associated with the closure have been initiated, and the Company is committed to ensuring a smooth transition for all stakeholders involved.*

*This action is considered a material change and has been duly approved by the board of directors.*

### **3. VETO LED LIGHTINGS PRIVATE LIMITED**

Veto LED Lightings Private Limited ("VLLPL") having CIN U31100MH2019PTC332744 was incorporated on November 8<sup>th</sup>, 2019 vide Certificate of Incorporation issued by the Registrar of Companies, Maharashtra at Mumbai. It is Wholly Owned Subsidiary Company of Veto Switchgears and Cables Limited.

The main object of the Company is to carry in India or elsewhere all any of the business as manufacturers, importers, exporters, retailers, assemblers, distributors, stockiest, traders, dealers, wholesalers, brokers, manufacturer's representatives, selling agents, purchasing agents, commission agents, dealers in electrical fittings and accessories, PVC wires, cables of all types and kinds, copper in all forms, PVC resin, DOP, plasticizers, chemicals, PVC compounds, Fillers, CP, copper conductors, Aluminum conductors or other conductors made of any matter of substance, electrical lamps including vacuum and gas filled lamps, general lighting lamps, Luminaries and accessories, MCB, CFL, Fans, Fittings etc. and other appliances, cables, wires lines and all types of machinery, plant or apparatus and things required for or capable of being used in connection with the manufacture of the above.

#### **Registered Office**

The registered office of the Company is located at 506, 5<sup>th</sup> Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058 (Maharashtra) India.

#### **Corporate office**

The Corporate office of the Company is located at 4<sup>th</sup> Floor, Plot No. 10, Days Hotel, Airport Plaza Scheme, Behind Hotel Radisson Blu, Durgapura, Tonk Road, Jaipur – 302018 (RJ) India.

### **Capital Structure and Shareholding Pattern**

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The authorized share capital of VLLPL is Rs. 9,00,00,000/- divided into 90,00,000 equity shares of Rs. 10/- each. The issued, subscribed and paid- up share capital is Rs.9,00,00,000/- divided into 90,00,000 equity shares of Rs. 10/- each.

The shareholding of Veto Switchgears And Cables Limited is of 100%.

#### **Board Composition**

- Mr. Narain Das Gurnani
- Mr. Akshay Kumar Gurnani

#### **4. VANKON MODULAR PRIVATE LIMITED**

Vankon Modular Private Limited (VMPL) having CIN U31900MH2015PTC264579 was incorporated on May 18<sup>th</sup>, 2015 vide Certificate of Incorporation issued by the Registrar of Companies, Maharashtra at Mumbai.

The main object of the Company is to carry in India or elsewhere all any of the business as manufacturers, Produce, Trading, Buy, Sell, Import, Export, Stock, Deal in machine tools, Grinding Machines, Automatic latches, Drilling Machine, Planning machines plan Grinders, Machineries of every description, Precision tools, Cutting and small tolls, electrical motors, electrical equipments, cables, wires, switchgears, flame and drip proof motors, distribute, import, export, sale, purchase or otherwise deal in all type of electricals & electronics items, wiring, modular accessories, lighting & luminaries, house hold appliances, electrical fans regulators of all types, electric kilovolt hour maters magnets, industrial jewels, maters, voltmeters and other type of measuring instruments, electrical/non electrical die casting, screws, nuts, and bolts, transformers of all, circuit breakers, electronic instruments, conductors, materials, transistors and allied items, sewing machines, watches and clocks, tape recorders, household appliances and component parts thereof, engineering goods, lined equipments, pipes & fittings, hoists, elevators, gears, trolleys and coaches, winches, air compressors, welders, refrigerators, domestics washing machines, television and radio receivers and transmitters, micro ware components, radar equipments, valves, reactors.

#### **Registered Office**

The registered office of the Company is located at S.NO.72 & 74, Gala No. 4 & 5, Gr. Flr, Plot No. 22, Meghdoot Signature, Vasai Road - East Thane Maharashtra-401208 India.

#### **Corporate office**

The Corporate office of the Company is located at 4<sup>th</sup> Floor, Plot No. 10, Days Hotel, Airport Plaza Scheme, Behind Hotel Radisson Blu, Durgapura, Tonk Road, Jaipur – 302018 (RJ) India.

#### **Capital Structure and Shareholding Pattern**

The authorized share capital of VMPL is Rs. 5,00,00,000/- divided into 50,00,000 equity shares of Rs. 10/- each. The issued, subscribed and paid- up share capital is Rs. 2,90,00,000/-divided into 29,00,000 equity shares of Rs. 10/- each.

**The shareholding of Veto Switchgears And Cables Limited is of 95.50%.**

#### **Board Composition**

- Mr. Bhagwan Das Goklani
- Mr. Akshay Kumar Gurnani
- Mr. Gopal Lalchand Kriplani
- Mr. Rohit Gurnani
- Mr. Tushar Dhalwani

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries /associate companies /joint ventures****Part "A": Subsidiaries**

Amounts in INR except % of shareholding (in Lacs)

Particulars	Details			
	Veto Overseas Private F.Z.E	Veto Electricals Private Limited	Veto LED Lightings Private Limited	Vankon Modular Private Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as holding Company (1 <sup>st</sup> April 2022 to March 31 <sup>st</sup> , 2023)	Same as holding Company (1 <sup>st</sup> April 2023 to March 31 <sup>st</sup> , 2024)	Same as holding Company (1 <sup>st</sup> April 2023 to March 31 <sup>st</sup> , 2024)	Same as holding Company (1 <sup>st</sup> April 2023 to March 31 <sup>st</sup> , 2024)
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	AED 1 = 22.62 INR	N.A.	N.A.	N.A.
Share capital	6,475	900.00	900.00	290.00
Reserves & surplus	(5980.46)	(252.28)	(13.85)	1938.57
Total assets	494.533	1546.84	2190.43	6134.93
Total Liabilities	0	899.12	1304.28	3906.35
Investments	0.00	0.00	00	0.25
Turnover	5990.83	946.21	0.00	6756.95
Profit before taxation	28.706	85.49	(3.14)	349.32
Tax Expenses	0.00	3.99	0.00	86.3
Profit after taxation	28.706	81.50	(3.14)	247.39
Proposed Dividend	6423.368	0.00	0.00	0.00
% of shareholding	100%	100%	100%	100

**Notes:**

1. Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies are based on the exchange rates as on March 31<sup>st</sup>, 2024.
2. Veto Electricals Private Limited, Wholly Owned Subsidiary Company owns its manufacturing plant (100% Export Unit) at Light Engineering Zone, Mahindra SEZ, Jaipur.
3. The Vankon Modular Private Limited is in the same line of business of Veto.
4. The reporting period for all the subsidiaries is March, 2024.

**Part "B": Associates and Joint Ventures**

**(Not Applicable to the company as company not having any associates and not entered in to any joint venture with any entity)**

**For SGC& Co.  
Chartered Accountants  
Firm Registration No. 112081W / W100184**

**Ajad Mehata  
Partner  
Membership No.: 139040**

**Akshay Kumar Gurnani  
Managing Director & CEO  
DIN: 06888193**

**Narain Das Gurnani  
Whole Time Director & CFO  
DIN: 01970599**

**Place: Mumbai  
Date: 29.05.2024**

**Place: Jaipur  
Date: 29.05.2024**

**Kritika Todwal  
Company Secretary**

# Corporate Governance Report

In terms of Regulation 34(3) read with Section C of SCHEDULE V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, a Report on Corporate Governance for the year ended 31<sup>st</sup> March, 2023 is presented below:

## **1. Philosophy on Code of Corporate Governance**

Corporate Governance is the application of best management practices, compliances of law and adherence to ethical standards to achieve the Company's objective of enhancing shareholder value and discharge of social responsibilities. Adopting high standards gives comfort to all existing and potential stakeholders including government regulatory authorities, customers, suppliers, bankers, employees and shareholders. Your Company believes in adopting and adhering to the best standards of Corporate Governance. Veto Switchgears and Cables Limited's philosophy on Corporate Governance enshrines the goal of achieving the highest level of transparency, accountability and equity in all spheres of its operations. Your Company is committed towards transparency in all its dealings and places high emphasis on business principles and believes that the good Corporate Governance goes beyond working results and financial priority and is pre-requisite for the attainment of excellent performance.

## **Governance Pillar**

Our Company has complied with the provisions and other requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to the meetings of the Audit Committee, the CSR Committee, Nomination and Remuneration Committee and the Shareholders'/ Investors Grievance Committee. The Board of Directors consist of total of 6 Directors of which 3 are independent Directors (which constitutes 50% of the Board of Directors). Further details relating to the same are presented under respective heads.

## **2. Board of Directors**

The Board of Directors is essentially a panel of persons who are elected to represent shareholders and responsible for the strategic supervision, overseeing performance and governance of the Company on behalf of the Stakeholders. The Board follows bylaws for independent judgment and plays a major role in monitoring the Company's affairs. The Board also ensures the Company's adherence to the standards of corporate governance and transparency in corporate working. The Board of Directors consists of eminent individuals having expertise and experience in various fields which enables it to ensure highest standards of Corporate Governance.

Our Company's Board consists of Six Board of Directors in person by having optimum combination of Executive and Non-Executive Directors with one-woman Director while fifty per cent of the Board of Directors comprises of Independent Directors. The Chairperson of the Board is an Executive Director.



The following table sets forth details regarding the Board of Directors as on March 31<sup>st</sup>, 2024:

**a) Composition and Category of Directors:**

S. No.	Name of Director	Designation / Category of Directors
1.	Mr. Akshay Kumar Gurnani	Managing Director, Executive Director / Promoter
2.	Mr. Narain Das Gurnani	Whole – Time Director Executive Director
3.	Mrs. Jyoti Gurnani	Woman Director Non-Executive - Non Independent Director
4.	Dr. Kanwarjeet Singh	Non-Executive Independent Director
5.	Mr. Hari Krishan Motwani	Non-Executive Independent Director
6.	Mr. Sanjeev Kumar Dass	Non-Executive Independent Director

**b) Attendance of each Director at the Meetings of the Board of Directors and the last Annual General Meeting:**

S. No.	Name of the Director	Attendance in Board Meetings									
		05 <sup>th</sup> May 2023	30 <sup>th</sup> May 2023	14 <sup>th</sup> August 2023	04 <sup>th</sup> September 2023	27 <sup>th</sup> September 2023	09 <sup>th</sup> November 2023	31 <sup>st</sup> January 2024	13 <sup>th</sup> February 2024	06 <sup>th</sup> March 2024	AGM on 29 <sup>th</sup> Sept. 2023
1.	Akshay Kumar Gurnani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2.	Narain Das Gurnani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3.	Jyoti Gurnani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4.	Kanwarjeet Singh	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5.	Varsha Rane Choudhary	✓	✓	✓	✓	✓	✓	✓	*	*	✓
6.	Hari Krishan Motwani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
7.	Sanjeev Kumar Dass	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8.	Kritika Todwal	NA	NA	NA	NA	NA	NA	NA	✓	✓	NA

*Note: Mrs Varsha Ranee Choudhary has resign office from the post of company secretary cum compliance officer as on 31<sup>st</sup> January 2024 with the consent of board and Mrs. Kritika Todwal joins office as on 1<sup>st</sup> Febuary as an company secretary cum compliance officer with the approval of board of directors in the meeting held on 31<sup>st</sup> January 2024.*

**c) Number of other Board of Directors or Committees in which a Director is a member or chairperson as on 31<sup>st</sup> March, 2024:**

S. No.	Name of Director	Directorships in other Board of Directors	Number of other Board Committees in which the directors are member	Number of other Board Committees in which director is a chairman
1.	Mr. Akshay Kumar Gurnani	19	-	-
2.	Mr. Narain Das Gurnani	05	03	-
3.	Mrs. Jyoti Gurnani	-	-	-
4.	Dr. Kanwarjeet Singh	-	01	-
5.	Mr. Hari Krishan Motwani	-	04	-
6.	Mr. Sanjeev Kumar Dass	-	04	04

*Data presented above is after taking into account the disclosures furnished by the Directors till the first Board Meeting of the Company held during the Financial Year 2024-25.*

**Names of the listed entities where the person is a Director and the category of Directorship as on 31<sup>st</sup> March, 2024:**

S. No.	Name of Director	Name of Listed Entity in which Director	Category of Directorship
1.	Mr. Akshay Kumar Gurnani	Veto Switchgears and Cables Limited	Managing Director
2.	Mr. Narain Das Gurnani	Veto Switchgears and Cables Limited	Executive Whole – Time Director
3.	Mrs. Jyoti Gurnani	Veto Switchgears and Cables Limited	Woman Director
4.	Dr. Kanwarjeet Singh	Veto Switchgears and Cables Limited	Non-Executive Independent Director
5.	Mr. Hari Krishan Motwani	Veto Switchgears and Cables Limited	Non-Executive Independent Director
6.	Mr. Sanjeev Kumar Dass	Veto Switchgears and Cables Limited	Non-Executive Independent Director

**d) Number of Meetings of the Board of Directors held and dates on which held:**

During the financial year 2023-24, 09 (Nine) Board Meetings were held. The dates on which these Meetings were held are given in the Table provided above under point b).

**e.) Disclosure of relationships between Directors inter-se:**

**None of the Directors are related to each other except the followings:**

<b>Name of the Director</b>	<b>Relationship between the Directors</b>
Mr. Akshay Kumar Gurnani	Brother of Mrs. Jyoti Gurnani
Mr. Narain Das Gurnani	Uncle of Mr. Akshay Kumar Gurnani and Mrs. Jyoti Gurnani

**f.) Number of shares and convertible instruments held by Non-Executive Directors:**

None of the Non-Executive Directors holds any share in the company.

**g.) Web link where details of familiarization programmes imparted to Independent Directors is disclosed:**

Pursuant to the provisions of Regulation 25(7) of the Listing Regulations, all Independent Directors are required to familiarize by the Company regarding nature of the industry in which the Company operates, business model of the Company and their roles, rights, responsibilities etc. in the Company from time to time. The Company makes consistent efforts to acquaint the Independent Directors with the overall business framework covering all Business verticals, by way of presenting specific performance of each Plant (based on predefined factory rating parameters), Product Category and Corporate Function from time to time. The entire Board including Independent Directors has access to Product Heads/ Factory Heads and other commercial/ technical staff, wherever required for informed decision making. Detailed agenda are sent well in advance to all the Directors in order to perform Board functions and roles effectively. The details related to all the necessary information is displayed on the website of the Company and can be accessed at <http://www.vetoswitchgears.com> under the head Familiarization Program for Independent Directors.

**h) Skills/ Expertise/ Competence of the Board of Directors including the areas as identified by the Board in the Context of the Company's Business:**

The Company's core focus are innovation and consumer friendly products, this is possible with the support, guidance and leadership of its Board of Directors bringing in knowledge and expertise from a variety of sectors, broadcasting the influence of good leadership with their experiences and expertise in various fields in the Following areas:

- Financial stability,
- Cooperating with required future developments and focusing on best implementation of strategies, systems and processes,
- Building effective Sales & Marketing strategies,
- Enabling the development and implementation of Risk Managing strategies and
- Human Resources Management.

The Nomination and Remuneration Policy of Directors, KMPs and Other Employees of the Company sets out the criteria which serve as guidelines in considering potential nominees to the Board of Directors to ensure the continuance of a dynamic and forward-thinking Board.

**Expertise/ Skill of Directors:**

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Expertise/ Skill</b>

1.	Mr. Akshay Kumar Gurnani	Developing and implementing strategic plans and company policies, maintaining an open dialogue with stakeholders and driving organizational success.
2.	Mr. Narain Das Gurnani	Skilled in financial forecasting to keep company on track for meeting goals, Research and data analysis skills for reviewing performance metrics.
3.	Mrs. Jyoti Gurnani	Human Resources, ensuring the ethical behavior, Forward planning and strategic thinking, IT Reforms and securing compliance.
4.	Dr. Kanwarjeet Singh	Strategic-thinking and Industry foresight, technology matters and Business Administration with standards of conduct.
5.	Mr. Hari Krishan Motwani	Commercial awareness and industry knowledge, supply chain, Corporate Quality and Safety Functions, Advanced Management and Skill Development.
6.	Mr. Sanjeev Kumar Dass	Time-management administrative reforms and strategy, new technologies and innovations. It involve the ability to evaluate alternatives, identify limits, assign weights to each option and choose the best option to achieve the desired goals and standards.

**i) Confirmation that in the opinion of the Board, the Independent Directors fulfill the conditions specified in these Regulations and are Independent of the Management:**

On the basis of the declarations made by the Independent Directors of the Company provided at the beginning of the Financial Year 2024-25, the Board of Directors are of the opinion that the Independent Directors of the Company fulfills conditions specified in Companies Act, 2013 and under SEBI (LODR) Regulations, 2015 and are Independent of the management of the Company.

**j) Detailed reasons for the resignation of the Independent Director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided:**

None of the Independent director resigned before the expiry of their tenure.

**Meeting of Independent Directors:**

Being perpetual with the norms of Corporate Governance, separate Meeting of the Independent Directors of the Company takes place every year in relevance to the Schedule IV to the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in which, below mentioned items are discussed:

- a) review the performance of non-independent directors and the board of directors as a whole;
- b) review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors;
- c) assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.

In respect of the financial year 2023-24, the Independent Directors met separately on **February 13<sup>th</sup>, 2024**. All the Independent Directors were present at this Meeting without the presence of any Non-Independent Director or representatives of management.

**Conduct of Board Proceedings:**

The day to day matters concerning the business are conducted by the Executives of the company under the direction of Executive Directors with the ultimate supervision of the Board. The Board holds its meetings at regular intervals to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the company.

**Subsidiary:**

The Company has 4 (Four) Subsidiary Companies out of which one is incorporated outside India and 3 are incorporated in India.

*\*\* However in the month of May 2024 “Veto Overseas Private F.Z.E. has been dissolved.*

Please refer to the Directors’ Report for further details regarding Subsidiary Companies attached **Annexure I**.

The Audit Committee of the Company reviews the financial statements, in particular, the investments made by the unlisted subsidiary company.

The Minutes of the Board Meetings of the unlisted subsidiary companies are placed at the Board Meeting(s) of the Company held at the end of every quarter for approval of financial results.

The Management periodically brings to the attention of the Board of Directors, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies.

**Related Party Transactions:**

The Board of Directors has approved a Policy on “Related Party Transactions” and the Policy is available on the website of the Company. Further, a statement on all related party transactions is presented before the Audit Committee on a quarterly basis for its review.

**Board committees:**

The Board has four Committees Namely Audit Committee, Nomination, Remuneration & Compensation Committee, Corporate Social Responsibility (CSR) Committee and Stakeholders Relationship Committee.

**3. Audit Committee:**

**a) Brief description of terms of reference**

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by Companies Act, 2013 and Regulation 18 and Part C of Schedule II of the SEBI (LODR), Regulations, 2015. The primary objective of the Committee is to monitor and provide an effective supervision of the management’s financial reporting process, to ensure accurate and timely disclosures with the highest level of transparency, integrity and quality of financial reporting.

Under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the audit committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

The Committee oversees the work carried out in the financial reporting process by the management, by Internal Auditors and Statutory Auditors and notes the processes and safeguards employed by each of them. In particular, these include:

1. Oversight of the listed entity'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 listed entity;
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 auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) Matters required to be included in the director's 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 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) Modified opinion(s) 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, 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, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with 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 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 chief financial officer 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.
23. Reviewing other areas that may be brought under the purview of role of Audit Committee as specified in SEBI Regulations and the Companies Act, from time to time.

**In addition to the above, the audit committee shall mandatorily review the following information:**

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions, submitted by management,
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

**b) Composition, Name of Members and Chairperson:**

The Audit Committee comprises of 3 (Three) Members. All members of audit committee shall be financially literate. The Company Secretary shall act as the secretary to the Audit Committee. The Audit Committee at its discretion shall invite the finance director or head of the finance function, head of internal audit and a representative of the statutory auditor and any other such executives to be present at the meetings of the committee.

The Audit Committee comprises of the following members:

Sr. No.	Name	Category	Designation
1	Mr. Sanjeev Kumar Dass	Non-Executive Independent	Chairman
2	Mr. Hari Krishan Motwani	Non-Executive Independent	Member
3	Mr. Narain Das Gurnani	Executive Director	Member

**c) Meetings and Attendance during the year:**

Five Meetings of the Audit Committee were held during the year. The details of the Meeting and attendance are given hereunder:

Sr. No.	Name of the Director	Attendance in Audit Committee Meetings				
		05.05.2023	30.05.2023	14.08.2023	09.11.2023	13.02.2024
1	Mr. Sanjeev Kumar Dass	✓	✓	✓	✓	✓

2	Mr. Narain Das Gurnani	✓	✓	✓	✓	✓
3	Mr. Hari Krishan Motwani	✓	✓	✓	✓	✓

The Chairman of the Audit Committee was present at the last AGM (16<sup>th</sup> Annual General Meeting held on Sept. 29<sup>th</sup>, 2023).

#### **4. Nomination and Remuneration Committee:**

##### **a) Brief description of terms of reference**

The Committee's constitution and terms of reference are in compliance with provisions of the Section 178 of the Companies Act, 2013, Regulation 19 of SEBI (LODR) Regulations, 2015 and Part D of Schedule II of LODR and also Regulation 5 of SEBI (Share Based Employee Benefits) Regulations, 2014.

The role of the Nomination and Remuneration Committee is to review market practices and to decide on remuneration packages applicable to the Managing Director and Senior Executives of our Company.

The broad terms of reference of the Committee are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
  - (1A) 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;
    - c). and consider the time commitments of the candidates.
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. Devising a policy on diversity of board of directors;
4. 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 of directors their appointment and removal.
5. 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.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management;



The policy is framed by the Nomination and Remuneration Committee and approved by the Board. The terms and conditions of appointment are disclosed in the website of the Company at [www.vetoswitchgears.com](http://www.vetoswitchgears.com)

**b) Composition, Name of Members and Chairperson:**

The Nomination and Remuneration Committee comprises of the following members:

Sr. No.	Name	Category	Designation
1	Mr. Sanjeev Kumar Dass	Non-Executive Independent	Chairman
2	Dr. Kanwarjeet Singh	Non-Executive Independent	Member
3	Mr. Hari Krishan Motwani	Non-Executive Independent	Member

**c) Meetings and Attendance during the year:**

One Meetings of the Nomination and Remuneration Committee was held during the year. The details of the Meeting and attendance are as below:

S. No.	Name of the Director	Attendance in Nomination and Remuneration Committee Meetings	
		01.09.2023	31.01.2024
1.	Mr. Sanjeev Kumar Dass – Chairman	✓	✓
2.	Dr. Kanwarjeet Singh	✓	✓
3.	Mr. Hari Krishan Motwani	✓	✓

**d) Criteria for performance evaluation of Independent Directors and the Board:**

As per the provisions of SEBI (LODR), Regulations, 2015, the Nomination and Remuneration Committee (“the Committee”) has laid down the criteria for evaluation of performance of Independent Directors and the Board.

Further, the Board is required to monitor and review Board Evaluation Framework. This Framework shall contain the details of Board’s self-evaluation. The Board is committed to assess its own performance in order to identify its strengths and areas in which it may improve its functioning. The Board has established a formal process to evaluate the performance of the Board on annual basis of its principal Committees such as the Audit Committee, the Nomination and Remuneration Committee, and that of the Chief Executive, the Chairman and individual Non-Executive Directors. The Board anticipates that the formal evaluation will be completed yearly and based on the evaluation process completed; the Board considers that the principal Committees have performed effectively throughout the year.

The Committees has established the processes for evaluation of performance of Independent Director and the Board. The Board conducts a self- evaluation process atleast once a year. It is the responsibility of the Chairman of the Board to organize the evaluation process and act on its outcome.

As part of the Board’s self-evaluation of its performance, questionnaires are circulated to all Directors. The questionnaire is designed to obtain Directors comments regarding the performance of the Board, the effectiveness of Board communications, the ability of Directors to contribute to the development of

strategy and the effectiveness with which the Board monitors risk and oversees progress. Directors are also invited to make recommendations for improvement.

The Chairman, on behalf of the Board, reviews the evaluations of performance of the non-executive Directors on an annual basis. The non-executive Directors, led by the Senior Independent Director, meet annually without the Chairman's present to evaluate his performance, having taken into account the views of the executive Director. The non-executive Directors also evaluate the performance of the executive director. These evaluations are designed to determine whether each Director(s) continues to contribute effectively and to demonstrate commitment to the role.

The Audit Committee & the Nomination and Remuneration Committee carries out annual reviews of their own performance and terms of reference to ensure that they are operating at maximum effectiveness and recommend changes, if any, as they consider necessary to the Board for approval. Accordingly, a separate exercise carries out to evaluate the performance of individual Directors including the Chairman of the Board. The performance evaluation of Independent Directors is also carried out by the entire Board. The performance evaluation of the Chairman and Non-Independent Directors is also carried out by the Independent Directors.

#### **5. Stakeholders Relationship / Investors' Grievance Committee:**

The Committee's constitution and terms of reference are in compliance with provisions of the Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015 and Specified as in Part D of the Schedule II.

The Committee normally meets as and when required and have following powers and responsibilities:

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.

#### **a) Composition:**

The Composition of Stakeholders Relationship/ Grievance Redressal Committee comprises of the following members along with that the Company Secretary acts as a Secretary to the Committee:

<b>Sr. No.</b>	<b>Name</b>	<b>Category</b>	<b>Designation</b>
<b>1</b>	Mr. Sanjeev Kumar Dass	Non-Executive Independent	Chairman
<b>2</b>	Mr. Narain Das Gurnani	Executive Director	Member
<b>3</b>	Mr. Hari Krishan Motwani	Non-Executive Independent	Member

#### **b) Name and designation of compliance officer:**

Mrs. Kritika Todwal, Company Secretary cum Compliance Officer of the Company.

Note: Mrs. Varsha Ranee Choudhary Company Secretary cum Compliance Officer of the Company is resigned and Mrs. Kritika Todwal, Company Secretary cum Compliance Officer of the Company on 01.02.2024.

**c) Detail of shareholder’s complaints:**

Particulars	No. of complaints	Whether resolved / if yes, no. of days taken in resolution
Shareholder’s Complaints received during the year	0	NA
Number of complaint(s) resolved	0	
Complaints not solved to the satisfaction of shareholders	0	
No. of Complaint(s) pending	0	

**d) Meetings and attendance during the year:**

During the financial year 2023-24, the Stakeholders Relationship/ Grievance Redressal Committee met on following dates along with presence of following members:

S. No.	Name of the Director	Attendance in Nomination and Remuneration Committee Meetings
		04.09.2023
1.	Mr. Sanjeev Kumar Dass – Chairman	✓
2.	Mr. Narain Das Gurnani	✓
3.	Mr. Hari Krishan Motwani	✓

**(5A) Risk Management Committee:** The Company is not required to constitute risk management committee. However, the company has a well-defined risk management framework in place. The risk management framework is at various levels across the Company.

**Corporate Social Responsibility Committee:**

The Committee’s constitution and terms of reference are in compliance with the provisions of Section 135 of the Companies Act, 2013 and are stated below:

**a) Composition of CSR Committee:**

Sr. No.	Name of the Director	Category of the Director	Designation
1	Mr. Sanjeev Kumar Dass	Non-Executive Independent Director	Chairman
2	Mr. Hari Krishan Motwani	Non-Executive Independent Director	Member
3	Mr. Narain Das Gurnani	Executive Director	Member

**b) Veto’s Framework on CSR Policy**

Veto Switchgears and cables limited hereinafter referred as “VETO” or “Company” is engaged in various social welfare activities as per the thrust area defined hereunder. In order to adhere Corporate Social Responsibility (CSR) Policy pursuant to the provisions of the Companies Act, 2013 and the Rules made thereunder VETO is required to formulate a Corporate Social Responsibility (CSR) Policy and to provide impetus to social activities and to roll our social initiative efficacious, it is vital to draw our Corporate Social Initiatives into a precise Policy document.

c) **Title, Scope & Applicability**

This policy shall be called “**VETO CSR Policy**” as envisaged under Section 135 of the Companies Act, 2013 and the Rules framed thereunder.

The underlining theme of our CSR philosophy is to create equality in society with our initiatives. “To the people, By the people, For the People is the core of **VETO’s CSR Policy**”. Our goal is to ensure that our economic growth is socially and environmentally sustainable. CSR initiatives are focused to enable the society to growth their livelihood by adapting science led innovations. Our socio-economic initiatives are focused towards underprivileged communities around local areas of operations, so that the weaker and marginalized sections of the society have a sustainable higher income and better standard of living.

Notwithstanding anything to the contrary in this CSR Policy but subject to applicable law, if the Company fails to meet out thresholds set out under Section 135(1) of the Act for three consecutive financial years, it shall not be required to:

- (i) Constitute the CSR Committee; and
- (ii) Comply with the provisions of this CSR Policy till such time as it again meets the criteria as specified in Section 135(1) of the Act.

d) **CSR VISION**

1. To support responsible and sustainable initiatives, while taking care of the concern for people, plant and profit;
2. To support Philanthropic activities to meet out the challenges that are facing by society today and helping them in preparing for the future.
3. To build a sustainable society through improving the quality of life, protect the plant through affirmative actions and establish integrated and inclusive growth of people and environment;
4. To Ensure efficient use of energy and environment friendly technologies;
5. By enriching lives to create a healthier and happier world.

**CONSTITUTION OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE AND ITS FUNCTIONS**

- a) The Committee shall consist of minimum 3 Directors where one of whom shall be an Independent Director.
  - b) The CSR Committee shall hold atleast one meeting in a Financial Year which shall be attended by minimum of two members of the Committee. The meetings shall be held at the registered office or at any other place as may be agreed by the members of the Committee.
  - c) The Chairman of the CSR Committee shall be appointed by the Board or Committee itself, Chairman of the Company may also be appointed as a Chairman for CSR Committee; The Chairman of CSR Committee should present at Annual General Meeting of the Company.
  - d) The number of members of the CSR Committee; their powers and functions may be specified, varied, altered or modified from time to time by the Board, subject to the provisions of the applicable law.
  - e) No member of the CSR Committee shall be personally liable for any decision or action taken in good faith with respect to the CSR Policy.
-

f) The Board's report under sub-section (3) of section 134 shall disclose the composition of the Corporate Social Responsibility Committee.

**THE CSR COMMITTEE SHALL: -**

- a) Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in terms of Schedule VII of the Companies Act, 2013 or any amendment thereof.
- b) Recommend the amount of expenditure to be incurred on CSR activities and
- c) Monitor the CSR policy from time to time.
- d) Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely: -
  - i. the list of CSR projects or programs that are approved by the Board to be undertaken in areas or subjects specified in Schedule VII of the Act;
  - ii. the manner of execution of such projects or programs;
  - iii. the modalities of utilization of funds and implementation schedules for the projects or programs;
  - iv. monitoring and reporting mechanism for the projects or programs; and
  - v. details of need and impact assessment, if any, for the projects undertaken by the company.

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

**CSR SPENDING & ALLOCATION**

- a) For achieving its CSR objectives through implementation of meaningful & sustainable CSR programs, the Board of Directors of VETO shall ensure that the Company spends at least 2% of its average net profits made during the three immediately preceding financial years, in pursuance of its CSR Policy.
- b) The board shall ensure that the administrative overheads shall not exceed five percent of its total CSR expenditure of the company for the financial year.
- c) If the company fails to spend such amount, the Board shall, in its report, specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months from the expiry of the financial year.
- d) Where a company spends an amount in excess of requirement provided under sub-section (5) of section 135 of the Act such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 of the Act up to immediate succeeding three financial years subject to the conditions that –
  - i. the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any;
  - ii. the Board of the company shall pass a resolution to that effect.
- e) Any amount remaining unspent under sub-section (5), pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer,

failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

- f) Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in **Schedule VII**, within a period of six months of the expiry of the financial year.
- g) The CSR amount may be spent by a company for creation or acquisition of a capital asset, which shall be held by –
  - (i) a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number; **or**
  - (ii) beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; **or**
  - (iii) a public authority:
- h) The unspent CSR amount, if any, shall be transferred by the company to any fund included in schedule VII of the Act, until a fund is specified in Schedule VII for the purposes of subsection (5) and (6) of section 135 of the Act.

## **MODE OF IMPLEMENTATION**

**The Board of Directors of the Company may decide to undertake CSR activities approved by the CSR Committee, through any of the following:**

- (a) Directly by the Company; or
- (b) A company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
- (c) A company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- (d) Any entity established under an Act of Parliament or a State legislature; or
- (e) A company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961 and having an established track record of at least three years in undertaking similar activities.

A company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programs in accordance with the CSR rules.

The Board of a company shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

## **CSR ACTIVITIES**

The Company shall undertake CSR activities for development of the society and the environment, preferably in the vicinity of the areas where the facilities of the company are located.

**Thrust areas of VETO for undertaking CSR activities or initiatives or Programs: -**

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation
- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care Center and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.
- (v) Rural development projects
- (vi) Development of area declared as “slum area” by the government or competent authority

**The Company may also contribute to the following funds as part of CSR activities or any other fund as may be notified in this regard, from time to time: -**

- (i) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
- (ii) Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- (iii) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- (iv) Disaster management, including relief, rehabilitation and reconstruction activities
- (v) Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- (vi) Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- (vii) Prime Minister’s National Relief Fund or Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- (viii) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;
- (ix) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organization (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

The above areas as enshrined in Schedule VII to the Act and included in this Policy aim to provide macro areas in which CSR projects can be undertaken by the VETO.

**INADMISSIBLE ACTIVITIES:**

- i. Activities undertaken in pursuance of normal course of business of the company.
- ii. Any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
- iii. Contribution of any amount directly or indirectly to any political party under section 182 of the Act;

- iv. Activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
- v. Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
- vi. Activities carried out for fulfilment of any other statutory obligations under any law in force in India.

## MONITORING PROCESS

CSR committee will be responsible for the monitoring of various CSR Projects, Programs or Activities undertaken by VETO directly or indirectly. The Committee shall ensure that CSR Projects, Programs or Activities:

- a) Are undertaken as provided in the CSR policy.
- b) Are implemented as approved by the Board.
- c) The budget allocated is utilized as per the approved plans.
- d) The objectives are achieved in consonance with this policy.

Notwithstanding anything to the contrary, the Board shall not be obliged to comply with the recommendations of the CSR Committee.

## CSR REPORTING

- (1) The Board's Report of a company shall include an annual report on CSR containing particulars specified in Annexure IV as applicable CSR Rules.
- (2) The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website i.e. [www.vetoswitchgears.com](http://www.vetoswitchgears.com), for public access.
- (3) (a) In case the company having average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.  
 (b) The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.  
 (c) A Company undertaking impact assessment may book the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.

### Meetings and Attendance during the year:

One Meetings of the Corporate Social Responsibility Committee was held **during the year**. The details of the Meeting and attendance are as below:

S. No.	Name of the Director	Attendance in Nomination and Remuneration Committee Meetings
		30.05.2023
1.	Mr. Sanjeev Kumar Dass – Chairman	✓
2.	Mr. Hari Krishan Motwani	✓
3.	Mr. Narain Das Gurnani	✓

## (6) REMUNERATION OF DIRECTORS:

- (a) All pecuniary relationship or transactions of the non-executive directors:



None other than the Sitting Fee or the payment of Commission paid to the Independent Directors of the Company.

**(b) Criteria of Making Payments to Non-Executive Directors:**

The company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees. Apart from this Policy, the Nomination and Remuneration Committee has also formulated a policy named “**REMUNERATION CRITERIA FOR NON EXECUTIVE DIRECTORS**” and is regulated by the Nomination and Remuneration Committee of the Board. The Policy is also available on the website of the company [www.vetoswitchgears.com](http://www.vetoswitchgears.com) in the ‘Policies & Related documents’ section in ‘Corporate Governance’.

**(c) Disclosures with respect to Remuneration:**

**(i) Detail of remuneration to all directors as per format in main report:**

S. No.	Name of the Director	Remuneration (in Rs.)	Director’s Sitting Fees (in Rs.)
1.	Mr. Akshay Kumar Gurnani	36,00,000	-
2.	Mr. Narain Das Gurnani	12,00,000	-
3.	Ms. Jyoti Gurnani	6,00,000	-
4.	Dr. Kanwarjeet Singh	-	32,500
5.	Mr. Hari Krishan Motwani	-	50,000
6.	Mr. Sanjeev Kumar Dass	-	50,000

**(ii) Service contracts, notice period, severance fees**

The appointment of the Executive Directors is governed by Resolutions passed by the Shareholders of the Company that cover the terms and conditions of such appointment, read with the service rules of the Company. A separate Service Contract is not entered into by the company with Executive Directors. No notice period or severance fee is payable to any Director.

**(iii) Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable**

During the financial year 2023-24, not allotted any share in stock option Scheme.

**(7) GENERAL BODY MEETINGS**

**(a) Annual General Meeting**

The date and time of Annual General Meeting held during the last three years are as follows:

S. No.	Date of AGM	Location	Time	Whether any special resolution passed. If yes, how many?	Special resolution passed through postal ballot	Name of person conducting postal ballot
1.	September 29 <sup>th</sup> , 2023	Through Video Conferencing (VC) or Other Audio Visual Means	03:00 P.M.	02	NA	NA

		(OAVM)				
2.	September 28 <sup>th</sup> , 2022	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	03:00 P.M.	04	NA	NA
3.	September 29 <sup>th</sup> , 2021	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	03:00 P.M.	01	NA	NA

**(b) Special Resolution passed last year through postal ballot – details of voting pattern and the procedure thereof:**

During the year, no resolutions have been passed through postal ballot.

**(c) Person who conducted the postal ballot exercise:**

Not Applicable

**(d) Special Resolution proposed to be conducted through postal ballot:**

**No Resolution requiring Postal Ballot** as required by the Companies (Passing of Resolution by Postal Ballot) Rules, 2011, has been placed for Shareholder’s approval at this Annual General Meeting.

**(8) Means of Communication**

**(i) Quarterly results:** The Company publishes limited reviewed un-audited standalone and consolidated financial results on quarterly basis. In respect of the fourth quarter, the Company publishes the audited financial results for the complete financial year.

**(ii) Newspapers wherein results normally published:** The quarterly / half-yearly / annual financial results are published in Business Standard in English and Mumbai Lakshadweep Regional Newspaper- Marathi.

**(iii) Website where displayed:** The financial results and the official news releases are also placed on the Company’s website [www.vetoswitchgears.com](http://www.vetoswitchgears.com) in the ‘Financial Information’ section.

**(iv) Official news releases:** Yes, the Company regularly publishes information update on its financial results and also displays official news releases in the ‘Investor Zone’ section under relevant sections.

**(v) Presentations made to institutional investors or to the analysts:** Whenever the Company holds analysts calls to apprise and make public the information relating to the Company’s working and future outlook. The Transcripts are available on Company’s website [www.vetoswitchgears.com](http://www.vetoswitchgears.com) in the ‘news and other’ section.

**(9) General Shareholders Information**

**(i) Company Registration Details**

The Company is registered in the State of **Maharashtra**, India.

The Corporate Identification Number (CIN) is **L31401MH2007PLC171844**

**Registered Office**

The registered office of the company is 506, 5<sup>th</sup> Floor Plot No. B-9, Landmark Building, New Link Road, Andheri (West), Mumbai, Maharashtra-400058

*\*\* In 17<sup>th</sup> AGM of the company board of directors purposed a resolution for the approval of shareholders to change the registered office of the company.*

**(ii) Annual General Meeting**

Date	Day	Time	Venue
28/09/2024	Saturday	03:00 P.M.	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)

In terms of the circular issued by Ministry of Corporate Affairs, as a Green Initiative and subsequent amendment to the Listing Regulations, soft copy of the Notice and the Annual Report for the financial year 2023 have been circulated to the respective e-mail IDs registered and available in Company's records.

**(ii) Financial Year:**

1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024

**(iv) Book Closure**

The Book Closure date will be September 22<sup>nd</sup> 2024 to September 28<sup>th</sup>, 2024 (both days inclusive) for the purpose of Annual General Meeting.

**(v) Dividend Payment date:**

The Board of Directors of your Company has also recommended a Final Dividend of Rs. 1/- per equity share of Rs. 10/- each i.e. @ 10% for the financial year 2023-24 and if approved by the Shareholders at the ensuing Annual General Meeting will be paid to the Shareholders within 30 days from the date of AGM.

**(vi) Name and address of each Stock Exchange(s) at which the Company's securities are listed and a confirmation about payment of annual listing fee to each of such Stock Exchange(s)**

*The equity shares of the Company are listed at:*

- **The National Stock Exchange of India Limited (NSE),**  
"Exchange Plaza", 5<sup>th</sup> Floor, Plot No. C-1,  
G Block, Bandra Kurla Complex, Bandra (E),  
Mumbai- 400 051
- **BSE Limited,**  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai- 400 001

The annual listing fee for the financial year 2023-24 has been paid by the Company to both the stock exchanges within the stipulated time.

**Stock code for Equity Shares:**

BSE Scrip Code	539331
NSE Trading Symbol	VETO
ISIN Number for NSDL & CDSL	INE918N01018

**(vii) SEBI Complaints Redress System (SCORES)**

Company has registered in SEBI Complaints Redress System (SCORES). This is managed by the Registrar and Share Transfer Agent, Big Share Services Private Limited.

**(viii) Market price data – high, low during each month in last financial year**

Monthly high & low prices and volumes of the equity shares of the Company at the National Stock Exchange of India Limited (Nifty) and BSE Limited (Sensex) during financial year 2023-24 are as under:

Month	Price at BSE			Price at NSE		
	High (Rs.)	Low (Rs.)	Volume (No. of Shares)	High (Rs.)	Low (Rs.)	Volume (No. of Shares)
April, 2023	94.24	75.40	101510	85.90	75.10	127560
May, 2023	111.75	91.41	314780	94.60	91.50	84370
June, 2023	107.90	92.0	230870	106.30	96.30	411,120
July, 2023	117.65	100.45	376420	103.00	100.75	102660
August, 2023	146.90	107.35	1990000	109.75	107.00	131860
September, 2023	143.50	120.10	552540	137.75	132.65	295030
October, 2023	133.20	106.65	295120	129.50	126.00	94970
November, 2023	131.60	110.65	240540	118.40	112.50	84370
December, 2023	129.95	112.00	419720	129.95	121.65	742630
January, 2024	137.00	114.70	652490	118.45	114.35	82130
February, 2024	156.35	119.70	1480000	127.05	124.20	96580
March, 2024	144.55	107.80	648880	144.70	136.00	500470

*(Source: NSE and BSE website)*

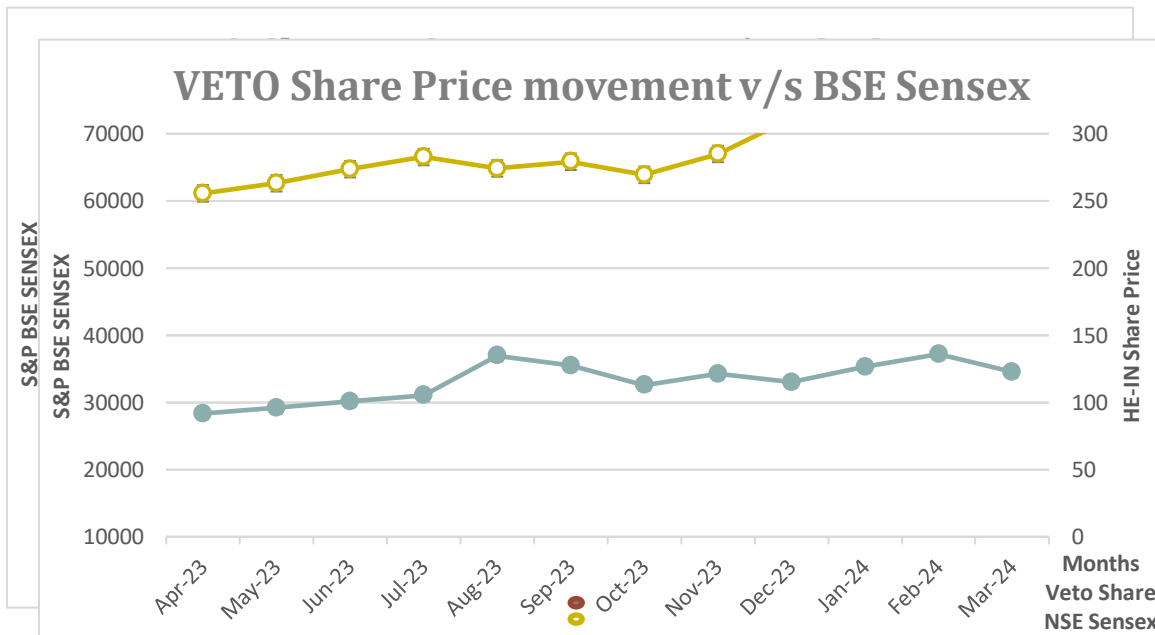
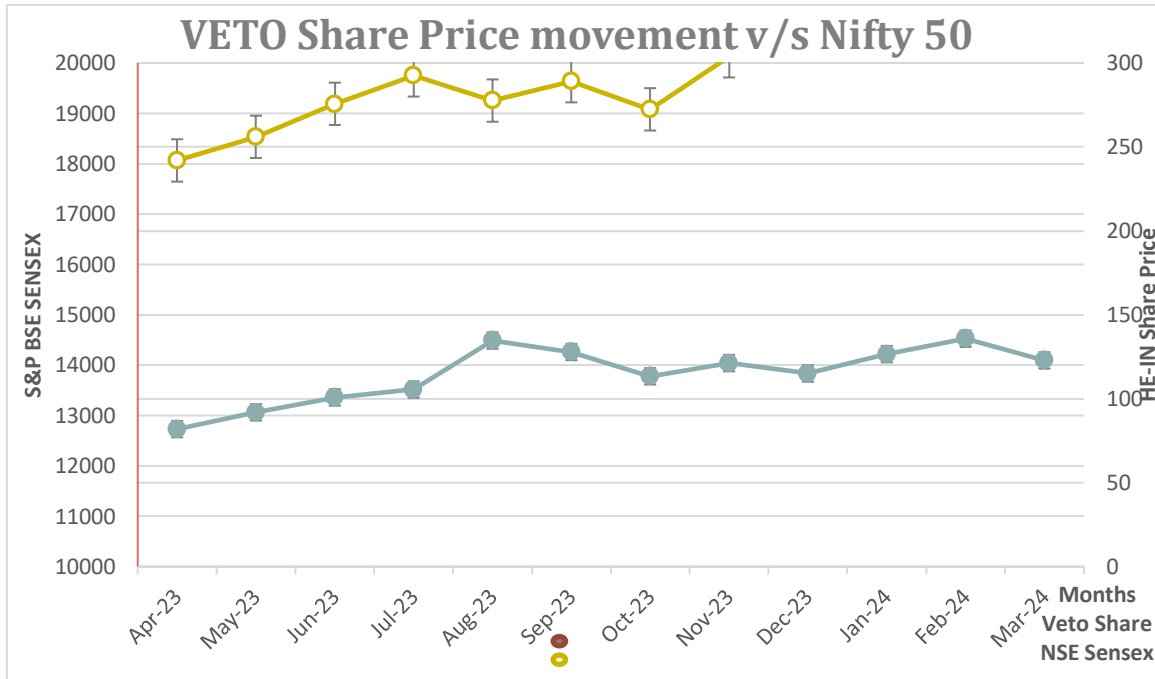
**(ix) Performance of the Company's Share price at the end of every month:**

Month	BSE closing	NSE Closing
April, 2023	91.72	91.90
May, 2023	95.94	95.80
June, 2023	100.81	100.80
July, 2023	105.20	105.50
August, 2023	134.90	134.70
September, 2023	127.45	127.85
October, 2023	112.90	113.40
November, 2023	121.10	121.25
December, 2023	115.05	115.05
January, 2024	126.35	126.60
February, 2024	135.95	135.80

March, 2024	122.70	122.85
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(Source: NSE and BSE website)

(ix) performance in comparison to broad-based indices such as BSE sensex, CRISIL Index etc;



(x) In case the securities are suspended from trading, reason thereof:

The securities of the Company have not been suspended from trading.

(xi) Registrar and Share Transfer Agent:

**Bigshare Services Private Limited**

Office No S6-2, 6<sup>th</sup> floor,

Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East) Mumbai – 400093, Maharashtra, India.  
Board No: 022-62638200 | Direct No.: 022-62638295 | Cell No.: 7045454390  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)  
Email: [info@bigshareonline.com](mailto:info@bigshareonline.com)

**(xii) Share Transfer System**

Trading in equity shares of the Company through recognized Stock Exchanges can be done only in dematerialized form.

In case of shares held in physical form, the transferred share certificates duly endorsed are dispatched within 15 days from the date of receipt of documents, provided documents are valid and complete in all respects. In compliance of Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the share transfer system of the Company is audited end of the financial year by a Practicing Company Secretary and a certificate to that effect is issued by him/her.

In case of request for dematerialization of shares, confirmation of dematerialization is sent to the respective depository i.e. National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL), expeditiously.

**(xiii) DISTRIBUTION OF SHAREHOLDING (IN SHARES) AS ON DATE 31/03/2024:**

Shareholding of Nominal		Number Of Shareholders	Percentage Of Shareholders	Number of Share Held	Percentage Of Share Holding
1	500	26605	88.6213	31694090	16.5808
501	1000	1888	6.2889	15404720	8.0590
1001	2000	800	2.6648	12169110	6.3663
2001	3000	270	0.8994	6955590	3.6388
3001	4000	138	0.4597	4877130	2.5515
4001	5000	98	0.3264	4632900	2.4237
5001	10000	127	0.4230	9600920	5.0227
10001	999999999	95	0.3164	105815090	55.3572
<b>Total</b>		<b>20030</b>	<b>100.0000</b>	<b>19114955</b>	<b>100.0000</b>

**(xiv) Distribution of Shareholding and Shareholding Pattern as on March 31<sup>st</sup>, 2024**

**CATEGORY WISE SUMMARY**

CATEGORY	Total Shareholders	% of Shareholders	Total Shares	%
CLEARING MEMBER	19	0.06	171685	0.89
CORPORATE BODIES	98	0.34	429733	2.24
CORPORATE BODIES (PROMOTER CO)	1	0.00	6170704	32.28
FOREIGN (PROMOTERS)	1	0.00	733333	3.83
NON RESIDENT INDIANS	372	1.30	451275	2.36
PROMOTERS	9	0.03	1708236	8.93
PUBLIC	28073	98.25	9449989	49.47
<b>TOTAL</b>	<b>28573</b>	<b>100.00</b>	<b>19114955</b>	<b>100.00</b>

(xv) List of 1.00 % & Above Share Holders

Category Folio No. / Client ID	Folio No. / Client ID	Shareholder's Name	Shares	Percentage
CORPORATE BODIES (PROMOTER CO)	1201770100771220	VETO ELECTROPOWERS (INDIA) PRIVATE LIMITED	6170704	32.28
FOREIGN PROMOTERS GROUP	1201770100800979	HARISH KUMAR GURNANI	733333	3.83
PROMOTERS GROUP	1206420006236385	AKSHAY KUMAR GURNANI	688722	3.60
PROMOTERS GROUP	1203460000465190	KANISHK KISHORE GURNANI	411985	2.15
PROMOTER GROUP	1201770100799924	PUSHPA DEVI GURNANI	284744	1.48
PROMOTERS GROUP	1203460000465251	ROHIT GURNANI	232985	1.21
<b>Total</b>			<b>8522473</b>	<b>44.55</b>

(xvi) Category of Shareholders

S. No.	Category of Shareholder	Total Holders	No. of shares	% of shareholding
1.	<b>Promoter and Promoter Group</b>			
	Individuals	10	2441569	12.76
	Bodies Corporate	1	6170704	32.28
2.	<b>Public</b>	28562	10502682	54.95
	<b>Total</b>	<b>28573</b>	<b>19114955</b>	<b>100</b>

(xvii) Dematerialization of Shares

The Company has set up requisite facilities for dematerialization of its Equity Shares in accordance with the provisions of Depository Act, 1996 with National Securities Depository Limited and Central Depository Services (India) Limited. The Company has entered into agreements with both of the Depositories. The status as on 31<sup>st</sup> March, 2024 is as under:

Mode	No. of Shares	% (Percentage)
Shares in Demat mode with NSDL	3749470	19.61
Shares in Demat mode with CDSL	15365475	80.38
Shares in Physical mode	10	0.00
<b>Total</b>	<b>19114955</b>	<b>100</b>

(xviii) Outstanding GDRs/ ADRs/ Warrant or any Convertible Instruments, Conversion date and likely impact on Equity.

During the Year ended March 31<sup>st</sup>, 2024 there were no outstanding GDRs/ ADRs/ Warrant or any Convertible Instruments.

(xix) Commodity price risk or foreign exchange risk and hedging activities:

Raw material is import negligible while company is exporting wires and Cables through its subsidiary "Veto Electricals Private Limited and some part of accessories exporting through its Mumbai Plant.

Company is not carrying foreign exchange risk for the export and does not do any hedging activities.

**(xx) Plant locations:**

<b>Sr. No.</b>	<b>Unit/ Plant</b>	<b>Products</b>
1.	Haridwar Plant (Own )	Manufacturing Wires, Cables & Switchgears
2.	Vasai, Mumbai Plant (Own)	Manufacturing Electrical Accessories
3.	Mahindra SEZ, Ajmer Road-Jaipur Plant (Own subsidiary Veto Electricals Private Limited )	Wires & Cables Export quality

**(xxi) Address for correspondence:**

- **Website: [www.vetoswitchgears.com](http://www.vetoswitchgears.com)**
- **Any query on Annual Report or Investors' Grievance Redressal:**  
E-mail: [cs@vetoswitchgears.com](mailto:cs@vetoswitchgears.com)  
Add: 4<sup>th</sup> Floor, Plot No. 10, Days Hotel, Airport Plaza Scheme,  
Behind Hotel Radisson Blu, Durgapura, Tonk Road, Jaipur 302018  
Phone: 0141-6667775, 0141-6667745
- **For shares held in Demat Form:**  
**Bigshare Services Pvt. Ltd.;**  
Office No S6-2, 6<sup>th</sup> floor,  
Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East) Mumbai – 400093, Maharashtra, India.  
Board No: 022-62638200 | Direct No.: 022-62638295 | Cell No.: 7045454390  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)  
Email: [info@bigshareonline.com](mailto:info@bigshareonline.com)

**(xxii) List of credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:**

The Company has obtained the following Credit Ratings from ICRA:-

Long-term rating **ICRA BBB+ (Triple B plus)**

Short-term rating **ICRA A2 (A Two)**

The details on credit ratings are provided in the Directors Report and are also available on the website of the Company in the Investor Relations section and can be accessed at [www.vetoswitchgears.com](http://www.vetoswitchgears.com).

During the year ended 31<sup>st</sup> March, 2024, there was no change in the above ratings by ICRA.

**(10) OTHER DISCLOSURES:**

- (a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company:**



During the financial year 2023-24, there was no materially significant related party transaction that may have potential conflict with the interests of the Company at large. For reference, the details of related party transactions in accordance with AS-18 are given in Notes to Accounts of the Annual Report.

**(b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:**

The Company has not been penalized, nor have the Stock Exchanges, SEBI or any statutory authority imposed any strictures during the last three years on any matter relating to capital markets.

**(c) Details of establishment of vigil mechanism/whistle blower policy and affirmation that no personnel have been denied access to the Audit Committee:**

The Company has established a Vigil Mechanism/Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy has a systematic mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or policy. The policy is available on the website of the Company <http://www.vetoswitchgears.com> under the head Whistle blower policy. No person has been denied access to the Audit Committee for any grievance.

**(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**(e) Web link where policy for determining 'material' subsidiaries is disclosed:**

The policy for determining 'material' subsidiaries is available on the website of the Company under 'Policies & Related Documents' in the 'Corporate Governance' section and can be accessed at <http://www.vetoswitchgears.com>

**(f) Web link where policy on dealing with related party transactions is disclosed:**

The policy on dealing with related party transactions is available on the website of the Company under 'Code & Policies' in the 'Corporate Governance' section and can be accessed at <http://www.vetoswitchgears.com>

**(g) Disclosure of commodity price risks and commodity hedging activities:**

The company does not do any hedging activities.

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

The Company did not raise any funds through preferential allotment or qualified institutions placement during the year

**(i) Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority:**

Attached in this report Annexure IX.

**(j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:**

The Board accepted the recommendations of its Committees, wherever made, during the year.

**(k) Fees Paid to Statutory Auditors**

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to statutory auditors of the Company and other firms in the network entity of which the statutory auditors are a part, during the year ended March 31<sup>st</sup>, 2024 is Rs. 5.75 Lakhs.

**(ix) Payment of Depository Fees**

The Company has paid Annual Custodian fees in respect of financial year 2023-2024 to NSDL and CDSL on receipt of the invoice.

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

The Company is committed to providing and promoting a safe and healthy work environment for all its employees.

- (a) Number of complaints filed during the financial year – 0
- (b) Number of complaints disposed of during the financial year – 0
- (c) Number of complaints pending as on end of the financial year – 0

**(xi) Disclosure for loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:**

The Company has not made any Loans and advances in the nature of loans to firms/companies in which directors are interested during the FY 2023-24 except wholly owned subsidiaries companies and details of the same is reported to financial statement.

**(xii) Details of Material Subsidiaries of the Company:**

The Company have one unlisted material subsidiary Company viz; Vankon Modular Private Limited, incorporated in India as on 18/05/2015. Further M/s Priavrat Sharma & Co (FRN: 008071C), Chartered Accountants, Jaipur is statutory auditor of the Company who was appointed as Statutory Auditor of the company for a term of five years starting from the conclusion of 5<sup>th</sup> Annual General Meeting held until the conclusion of 10<sup>th</sup> consecutive Annual General Meeting of the Company.

**(11) Disclosure of the Extent to which the Discretionary Requirements as specified in Part E of Schedule II have Been Adopted:**

- (a) **The Board:** The Company does not maintain an office for the Non- Executive Chairman.
- (b) **Shareholder Rights:** The Company's quarterly and half-yearly results are furnished to the Stock Exchange(s), also published in the newspapers and also displayed on the website of the Company and therefore results are not sent to household of each of the shareholders.
- (c) **Modified opinion(s) in audit report:** The auditors have issued an unmodified Audit Report for financial statements for the year ended March 31<sup>st</sup>, 2024.
- (d) **Separate posts of Chairman and CEO/Managing Director:** Presently, Mr. Akshay Kumar Gurnani is the Chairman and Managing Director of the Company. He is also the CEO of the Company.
- (e) **Reporting of Internal Auditor:** The Company re-appointed Mr. Kunal Sanghvi as the Internal Auditors for conducting the internal audit for the financial year 2023-24, representatives whereof Internal Auditor reports directly to the Audit Committee.

**(xvii) Disclosure of compliance of regulation 17 to 27 and clauses (b) to (i) of sub Regulation (2) of Regulation 46:**

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Declaration signed by the Chief Executive Officer stating that the Members of Board of Directors and Senior Management Personnel have affirmed Compliance with the Code of Conduct of Board of Directors and Senior Management:**

The Board has laid down “Veto Switchgears and Cables Limited-Code of Conduct” (Code) for all the Board members and the Senior Management of the company and the Code is posted on the website of the company. Annual declaration regarding compliance with the Code is being obtained from every Senior Management personnel covered by this Code of Conduct. A declaration to this effect signed by the Managing Director/ Chief Executive Officer is forming part of the Corporate Governance Report in **Annexure X**.

**Compliance Certificate from either the auditors or Practicing Company Secretaries regarding compliance of conditions of Corporate Governance:**

The Certificate from the Practicing Company Secretaries of the Company regarding compliance of conditions of Corporate Governance forms an integral part of the Annual Report in **Annexure VIII**.

**Disclosures with Respect to Demat Suspense Account/ Unclaimed Suspense Account:**

(a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the Year – **Nil**

(b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year – **Nil**

(c) Number of shareholders to whom shares were transferred from suspense account during the year – **NA**

(d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of year – **Nil**

(e) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

**(12) Transfer unpaid/unclaimed amount dividend to Investor Education and Protection Fund:**

The Ministry of Corporate Affairs (‘MCA’) has notified the provisions of Section 124 of the Companies Act, 2013 (‘Act, 2013’) and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF RULES”) w.e.f. 07.09.2016. Under Section 124 (5) of the Companies Act, 2013, dividends that are unclaimed/un-paid for a period of seven years, are to be transferred statutorily to the Investor Education and Protection Fund (IEPF) administered by the Central Government. To ensure maximum disbursement of unclaimed dividend, the Company sends reminders to the concerned investors at appropriate intervals.

The Members of the Company who have not yet encashed their dividend warrant(s) for the F.Y. 2016-17 (Interim Dividend) and onwards, may write to the Company/ Registrar & Share Transfer Agent immediately.

Pursuant to Section 124(5) of the Companies Act, 2013, the unpaid dividends that are due for transfer to the Investor Education and Protection Fund are as follows:

<b>Financial Year</b>	<b>Date of Declaration</b>	<b>Due date of transfer unpaid dividend to IEPF</b>
2015-16 (Interim)	18.01.2016	Transfer made in IEPF Account
2015-16 (Final)	28.09.2016	Transfer made in IEPF Account
2016-17(Interim)	13.02.2017	Transfer made in IEPF Account

2016-17(Final)	29.09.2017	04.11.2024
2020-21(Final)	29.09.2021	04.11.2028
2021-22(Final)	28.09.2022	03.11.2029
2022-23(Final)	29.09.2023	04.11.2030

Members who have not encashed their dividend warrants pertaining to the aforesaid years may approach the Company/Registrar, for obtaining payments thereof at least 15 days before they are due for transfer to the said fund.

The Company had communicated to all the concerned shareholders individually whose shares were liable to be transferred to IEPF. The Company had also given newspaper advertisements, before such transfer in favour of IEPF. The Company had also uploaded the details of such shareholders and shares transferred to IEPF on the website of the Company at <https://www.vetoswitchgears.com>

**Transfer of amount/shares to Investor Education and Protection Fund:**

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the IEPF (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, dividend/interest/refund of applications which remains unclaimed/unpaid for a period of 7 years is required to be transferred to IEPF. Further, the IEPF Rules mandate the companies to transfer all shares on which dividend remains unclaimed/unpaid for a period of 7 consecutive years to the demat account of the IEPF Authority.

Accordingly, during the Financial Year 2023-24 unpaid/unclaimed dividends of Rs. 2,05,355/- relating to financial year 2016-17 (Interim Dividend) were transferred to the Investor Education and Protection Fund and there no unclaimed equity had been transferred to the designated demat account of the IEPF Authority.

If in future, The Members/claimants whose shares or unclaimed dividends get transferred to IEPF may claim the shares or apply for refund from the IEPF Authority by following the refund procedure as detailed on the website of IEPF Authority at [www.iepf.gov.in/IEPF/refund.html](http://www.iepf.gov.in/IEPF/refund.html).

**(13) Information for Physical Shareholders Common and Simplified Norms for updation of PAN and Know Your Customer (KYC) details:**

SEBI had vide circular dated March 16<sup>th</sup>, 2023 introduced Common and Simplified Norms for furnishing PAN, KYC details and Nomination by the Shareholders in supersession of circulars dated November 3<sup>rd</sup>, 2021 and December 14<sup>th</sup>, 2021 according to which, all shareholders holding shares in physical form are mandatorily required to furnish PAN (compulsorily linked with Aadhaar), nomination, contact details, bank account details and specimen signature to RTA. Further, it is mandated that the RTA shall not process any service request or complaint of shareholder still PAN, KYC and nomination document/details are received. In case any one of aforesaid documents are not available on or after October 1<sup>st</sup>, 2023, the folios shall be frozen by the RTA. Necessary communication through letters have been sent to all the physical shareholders in this regard.

Members are requested to update the above details by submitting the forms available on the Company's website or the Company's RTA's website for further queries; you can approach our Registrar and Share Transfer Agent (RTA).

**(14). Policy on Prevention of Insider Trading**

The Company has also formulated a Code of Conduct to Regulate, Monitor, and Report Trading by Insiders to deter the insider trading in the securities of the Company based on the unpublished price sensitive information. In compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board has adopted a code of conduct and code of practices and procedures for fair disclosure of unpublished price sensitive information to preserve the

confidentiality of price sensitive information prevent misuse thereof and regulate the trading by Insiders. The Code envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company. The full text of the Code is available on the website of company.

**Date: 03/09/2024**

**Place: Jaipur**

**For and on behalf of the Board of Directors**

**Akshay Kumar Gurnani**  
**Managing Director & CEO**  
**DIN: 06888193**

**Narain Das Gurnani**  
**Whole-Time Director & CFO**  
**DIN: 01970599**

## Annexure IV

### Annual Report on Corporate Social Responsibilities (CSR) activities for the financial year 2023-2024

[Pursuant to Section 135 of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

#### 1. Brief outline on CSR Policy of the Company:

The Company has commitment to carry out its business in ethical way along with this it manages operations by taking into account social, economic and environmental impacts. It enhances productivity and tries to contribute to society, augment the company's profile, earn customer loyalty, and hence make profits. As a socially responsible corporate, the Company considers CSR as an integral part of its operations. Further details relating to it has been provided in Annexure III Corporate Governance Report.

Furthermore, the Company's policy on CSR including overview of projects or programs or activities proposed to be undertaken is mentioned on the website of the Company at the link: [www.vetoswitchgears.com](http://www.vetoswitchgears.com)

#### 2. Composition of the CSR Committee:

As on 31<sup>st</sup> March, 2024, the Corporate Social Responsibility Committee comprised of 3 (Three) Members of the Board, 2 (two) of which were Independent Directors and 1 (One) was Executive. The Chairman of the Committee is an Independent Director.

S. No	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	*Mr. Sanjeev Kumar Dass	Independent Director, Chairman	1	1
2.	Mr. Hari Krishan Motwani	Independent Director, Member	1	1
3.	Mr. Narain Das Gurnani	Executive Director, Member	1	1

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

<https://vetoswitchgears.com/uploads/2023/08/CSR%20Policy.pdf>

#### 4. Provide the 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: Not Applicable

5. (a) Average net profit of the Company as per sub-section (5) of Section 135.: **Rs. 2810.22 Lacs**

(b) Two percent of Average Net Profit of the Company as per sub-section (5) of Section 135: **Rs. 56.20 Lacs**

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**

(d) Amount required to be set off for the Financial Year, if any: **Rs.0.15 Lacs.**

(e) Total CSR obligation for the Financial Year [(b) + (c) – (d)]: **Rs. 56.05lacs**

**6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. 60.16**

(b) Amount spent in Administrative Overheads: **NIL**

(c) Amount spent on Impact Assessment, if applicable: **NIL**

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **Rs. 60.16 Lacs**

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (In Rs. Lacs)				
	Total Amount transferred to Unspent CSR Account as per sub-Section (6) of section 135		Amount Transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
<b>60.16 Lacs</b>	<b>Nil</b>	<b>NA</b>	<b>NA</b>	<b>Nil</b>	<b>NA</b>

(f) Excess amount for set off, if any

S. No	Particular	Amount (In Rs.)
(I)	Two percent of average net profit of the company as per sub-section (5) of Section 135	<b>56.20 Lacs</b>
(ii)	Total amount spent for the Financial Year (including amount required to be set off for the financial year as referred in Pt No 5(d) above)	<b>60.31 Lacs</b>
(iii)	Excess amount spent for the financial year [(ii)-(i)]	<b>4.11</b>
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	<b>NIL</b>
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	<b>4.11 Lacs</b>

**7. (a) Details of Unspent Corporate Social Responsibility amount for the preceding three financial years: Nil**

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (In Rs.)	Balance Amount in Unspent CSR account under Sub- section (6) of Section 135 (In Rs.)	Amount Spent in the Financial Year (In Rs.)	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 (In Rs.)	Deficiency, if Any
					Amount (In Rs.)	Date of Transfer		
<b>1.</b>	<b>2020-21</b>	NA	NA	NA	NIL	NA	NA	NA
<b>2.</b>	<b>2021-22</b>	NA	NA	NA	NIL	NA	NA	NA
<b>3.</b>	<b>2022-23</b>	NA	NA	NA	NIL	NA	NA	NA
	<b>Total</b>	-	-				-	

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year: No**

**9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135 – NA**

**Date: 03/09/2024**

**Place: Jaipur**

**Akshay Kumar Gurnani**  
**(Managing Director cum CEO)**  
**DIN: 06888193**

**Sanjeev Kumar Dass**  
**(Chairman, CSR Committee)**  
**DIN: 09690317**



**ANNEXURE V****Form No. MGT-9  
EXTRACT OF ANNUAL RETURN****as on the financial year ended on March 31<sup>st</sup>, 2024**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN	L31401MH2007PLC171844
ii)	Registration Date	20/06/2007
iii)	Name of the Company	Veto Switchgears and Cables Limited
iv)	Category Sub-Category of the Company	Company Limited by Shares Indian Non- Government Company
v)	Address of the Registered Office and contact details	506, 5 <sup>th</sup> Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West), Mumbai-400058 cs@vetoswitchgears.com Telephone No.: 0141-6667775
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd. Office No S6-2, 6 <sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093 Tel.: +91 22-6263 8200; Fax: +91 22 62638299 Email: info@bigshareonline.com; Website: www.bigshareonline.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated: -

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Wires and Cables	2732	27.57%
2	Lighting & Fittings	2740	50.75%
3	Electrical Accessories & Others	2710	21.67%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1.	<b>Veto Electricals Private Limited</b> Add: 4 <sup>th</sup> Floor, Plot No. 10, Days Hotel, Airport Plaza Scheme, Behind Hotel Radisson Blu, Durgapura, Tonk Road, Jaipur -302018	U31300RJ2008PTC026189	Subsidiary	100%	Section 2 (87)
2.	<b>Veto LED Lightings Private Limited</b> Add: 506, 5 <sup>th</sup> Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West), Mumbai-400058	U31100MH2019PTC332744	Subsidiary	100%	Section 2 (87)
3.	<b>Veto Overseas Private F.Z.E</b> Add: SM- Office- C1- 520B Ajman Free zone Ajman (UAE)	Not Applicable	Subsidiary	100%	Section 2 (87)

4.	<b>Vankon Modular Private Limited</b> Add: S.No.72 & 74, Gala No. 4 & 5,Gr. Flr, Plot No. 22,Meghdoot Signature, Vasai Road - East Thanethane-401208 (MH) India	U31900MH2015PTC264579	Subsidiary	95.50	Section 2 (87)
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\*\* Company dissolved Veto Overseas Private F.Z.E. in the month of May 2024.

#### IV.SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Statement Showing Shareholding Pattern										
	Category of Shareholder	No. of Shares held at the beginning of the year: 01/04/2023				No. of Shares held at the end of the year : 31/03/2024				% Change during the year
		Demat	Physical	Total Shares	% of Total Share	Demat	Physical	Total Shares	% of Total Share	
<b>(A) Shareholding of Promoter and Promoter Group</b>										
<b>INDIAN (A)(1)</b>										
(a)	INDIVIDUAL / HUF	1708236	0	1708236	8.94	1708236	0	1708236	8.93	(0.01)
(b)	CENTRAL / STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0	0.00
(c)	BODIES CORPORATE	7130704	0	7130704	37.30	617074	0	6170704	32.28	(5.02)
(d)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0	0.00
(e)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0	0.00
	<b>SUB TOTAL (A)(1) :</b>	<b>8838940</b>	<b>0</b>	<b>8838940</b>	<b>46.24</b>	<b>7878940</b>	<b>0</b>	<b>7878940</b>	<b>41.21</b>	<b>(5.03)</b>
<b>FOREIGN (A)(2)</b>										
(a)	NRIs- INDIVIDUAL	733333	0	733333	3.84	733333	0	733333	3.83	(0.01)
(b)	OTHER INDIVIDUAL	0	0	0	0	0	0	0	0	0
(c)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
(d)	BANKS / FI	0	0	0	0.00	0	0	0	0.00	0.00
(e)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL (A)(2) :</b>	<b>733333</b>	<b>0</b>	<b>733333</b>	<b>3.84</b>	<b>733333</b>	<b>0</b>	<b>733333</b>	<b>3.83</b>	<b>(0.01)</b>
<b>Total Shareholding of Promoter and Promoter</b>										
	<b>(A)=(A)(1) + (A)(2)</b>	<b>9572273</b>	<b>0</b>	<b>9572273</b>	<b>50.08</b>	<b>8612273</b>	<b>0</b>	<b>8612273</b>	<b>45.05</b>	<b>(5.03)</b>
<b>(B) Public shareholding</b>										
<b>Institutions</b>										
(a)	MUTUAL FUNDS / UTI	0	0	0	0.00	0	0	0	0	0.00
(b)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0	0.00
(c)	CENTRAL / STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0	0.00
(d)	VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0	0.00
(e)	INSURANCE COMPANIES	0	0	0	0.00	0	0	0	0	0.00
(f)	FII'S	0	0	0	0.00	0	0	0	0	0.00
(g)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0	0.00
(h)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0	0.00
	FOREIGN PORTFOLIO INVESTOR	0	0	0	0	2422	0	2422	0.0127	(0.0127)
	<b>SUB TOTAL (B)(1) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2400</b>	<b>0</b>	<b>2422</b>	<b>0.0127</b>	<b>(0.0127)</b>

<b>Non-institutions</b>										
(a)	BODIES CORPORATE (Indian)	745097	0	745097	3.90	471447	0	471447	2.36	(1.54)
	BODIES CORPORATE (Overseas)	0	0	0	0	0	0	0	0	0
(b)	INDIVIDUAL									
(i)	(CAPITAL UPTO TO Rs. 1 Lakh)	5562151	10	5562161	29.10	4045611	10	4045601	21.10	8.00
(ii)	(CAPITAL GREATER THAN Rs. 1 Lakh)	2366722	0	2366722	6.46	2197744	0	2197744	11.49	5.03
(c)	ANY OTHERS (Specify)									
(i)	H.U.F	424166	0	424166	2.22	412532	0	412532	2.15	(0.07)
(ii)	TRUSTS	0	0	0	0.00	0	0	0	0	0.00
(iii)	CLEARING MEMBER	155162	0	155162	0.81	137547	0	137547	0.71	(0.10)
(v)	NON RESIDENT INDIANS (REPAT)	289274	0	289274	1.51	452257	0	452257	2.36	0.85
(vi)	NON RESIDENT INDIANS (NON REPAT)	0	0	0	0	0	0	0	0	0
(vii)	NBFCS REGISTERED WITH RBI	0	0	0	0	0	0	0	0	0
(viii)	FOREIGN NATIONALS	100	0	100	0	0	0	0	0	0
	<b>SUB TOTAL (B)(2) :</b>	<b>9542672</b>	<b>10</b>	<b>9542682</b>	<b>49.92</b>	<b>10502172</b>	<b>10</b>	<b>10502182</b>	<b>54.94</b>	<b>5.02</b>
<b>Total Public Shareholding</b>										
	<b>(B)=(B)(1) + (B)(2)</b>	<b>9542672</b>	<b>10</b>	<b>9542682</b>	<b>49.92</b>	<b>10502172</b>	<b>10</b>	<b>10502182</b>	<b>54.94</b>	<b>5.02</b>
<b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b>										
(a)	SHARES HELD BY CUSTODIANS	0	0	0	0.00	500	0	500	0.0026	0.0026
(i)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL (C)(1) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>(C)=(C)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Grand Total (A) + (B) + (C)</b>	<b>19114950</b>	<b>5</b>	<b>19114955</b>	<b>100.00</b>	<b>19114945</b>	<b>10</b>	<b>19114955</b>	<b>100.00</b>	<b>0.00</b>
<b>NOTES :</b>										
1) NAME,NUMBER OF SHARES HELD & PERCENTAGE OF ENTITIES / PERSONS HOLDING MORE THAN 1% OF THE TOTAL SHARES OF THE COMPANY IS AS PER ANNEXURE										

**(ii) Shareholding of Promoters**

Sr. No	Name	Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	% Change in shareholding during the year
		Shareholding at the beginning of the Year			Shareholding at the end of the Year			
1	PUSHPA DEVI GURNANI	284744	1.4896	0.0000	284744	1.4897	0.0000	0.00
2	MUKESH GURNANI	6600	0.0345	0.0000	6600	0.0345	0.0000	0.00
3	NARAIN DAS GURNANI	13200	0.0691	0.0000	13200	0.691	0.0000	0.00
4	ROHIT KISHORE GURNANI	232985	1.2189	0.0000	232985	1.2189	0.0000	0.00
5	KANISHK KISHORE GURNANI	411985	2.1553	0.0000	411985	2.1554	0.0000	0.00
6	KISHORE KUMAR GURNANI	55000	0.2877	0.0000	55000	0.2877	0.0000	0.00

7	HARISH KUMAR GURNANI	733333	3.8364	0.0000	733333	3.8365	0.0000	0.00
8	AKSHAY KUMAR GURNANI	688722	3.6031	0.0000	688722	3.6031	0.0000	0.00
9	VETO ELECTROPOWERS (INDIA) PRIVATE LIMITED	7130704	37.3043	0.0000	6170704	32.2829	0.0000	5.02
10	SITADEVI GURNANI	15000	0.0785	0.0000	15000	0.0785	0.0000	0.00
<b>TOTAL</b>		<b>9572273</b>	<b>50.0774</b>	<b>0.0000</b>	<b>8612273</b>	<b>45.05</b>	<b>0.0000</b>	<b>-5.02</b>

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Particulars	Shareholding at the beginning of the year (as on 1st April 2023)		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>PUSHPA DEVI GURNANI</b>				
At the beginning of the year	284744	1.4897	284744	1.4897
Date wise Increase/Decrease in Promoter Shareholding during the year	<b>NO CHANGE</b>			
<b>MUKESH GURNANI</b>				
At the beginning of the year	6600	0.03	6600	0.03
Date wise Increase/Decrease in Promoter Shareholding during the year	<b>NO CHANGE</b>			
At the end of the year i.e. 31 <sup>st</sup> March, 2024	<b>6600</b>	<b>0.03</b>	<b>6600</b>	<b>0.03</b>
<b>NARAIN DAS GURNANI</b>				
At the beginning of the year	13200	0.07	13200	0.07
Date wise Increase/Decrease in Promoter Shareholding during the year	<b>NO CHANGE</b>			
At the end of the year i.e. 31 <sup>st</sup> March, 2024	<b>13200</b>	<b>0.07</b>	<b>13200</b>	<b>0.07</b>
<b>ROHIT KISHORE GURNANI</b>				
At the beginning of the year	232985	1.22	232985	1.22
Date wise Increase/Decrease in Promoter Shareholding during the year	<b>NO CHANGE</b>			
At the end of the year i.e. 31 <sup>st</sup> March, 2024	<b>232985</b>	<b>1.22</b>	<b>232985</b>	<b>1.22</b>
<b>KANISHK KISHORE GURNANI</b>				
At the beginning of the year	411985	2.16	411985	2.16
Date wise Increase/Decrease in Promoter Shareholding during the year	<b>NO CHANGE</b>			
At the end of the year i.e. 31 <sup>st</sup> March, 2024	<b>411985</b>	<b>2.16</b>	<b>411985</b>	<b>2.16</b>
<b>KISHORE KUMAR GURNANI</b>				
At the beginning of the year	55000	0.29	55000	0.29
Date wise Increase/Decrease in Promoter Shareholding during the year	<b>NO CHANGE</b>			
At the end of the year i.e. 31 <sup>st</sup> March, 2024	<b>55000</b>	<b>0.29</b>	<b>55000</b>	<b>0.29</b>
<b>SITADEVI GURNANI</b>				

At the beginning of the year	15000	0.08	15000	0.08
Date wise Increase/Decrease in Promoter Shareholding during the year	<b>NO CHANGE</b>			
At the end of the year i.e. 31 <sup>st</sup> March, 2024	<b>15000</b>	<b>0.08</b>	<b>15000</b>	<b>0.08</b>
<b>HARISH KUMAR GURNANI</b>				
At the beginning of the year	733333	3.84	733333	3.84
Date wise Increase/Decrease in Promoter Shareholding during the year	<b>NO CHANGE</b>			
At the end of the year i.e. 31 <sup>st</sup> March, 2024	<b>733333</b>	<b>3.84</b>	<b>733333</b>	<b>3.84</b>
<b>AKSHAY KUMAR GURNANI</b>				
At the beginning of the year	688722	3.60	688722	3.60
Date wise Increase/Decrease in Promoter Shareholding during the year :	<b>NO CHANGE</b>			
<b>VETO ELECTROPOWERS (INDIA) PRIVATE LIMITED</b>				
At the beginning of the year	7130704	37.30	7130704	37.30
Date wise Increase/Decrease in Promoter Shareholding during the year :	<b>CHANGE</b>			
Market Sell of 960000 shares on 28/11/2023	960000			
At the end of the year i.e. 31 <sup>st</sup> March, 2024	6170704	32.2829	6170704	32.2829

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

<b>TOP 10 NON PROMOTER' S MOVEMENT</b>					
SL.NO	Name	Shareholding at the Beginning		Cumulative Share during end	
		Shares	% Of Total Share of the Company	Shares	% of Total Share of the Company
<b>1.</b>	<b>SEETHA KUMARI</b>				
	At the Beginning of the Year 01-April-2023	321326	1.68	321326	1.68
	26-May-2023	-34215	1.50	287111	1.50
	02-June-2023	-287111	0	0	0
	31-March-2024	0	0	0	0
<b>2.</b>	<b>ASHOK KUMAR LODHA</b>				
	At the Beginning of the Year 01-April-2023	258000	1.35	258000	1.35
	16-June-2023	-58000	1.05	200000	1.05
	13-Oct-2023	-200000	0	0	0
	30-Mar-2024	0	0	0	0
<b>3.</b>	<b>BHUPESH KUMAR LODHA</b>				
	At the Beginning of the Year 01-April-2023	200000	1.05	200000	1.05
	14-July-2023	-80000	0.63	120000	0.63
	21-July-2023	-85000	0.18	35000	0.18
	28-July-2023	-35000	0	0	0
	30-March-2024	0	0	0	0
<b>4.</b>	<b>MRG SECURITIES PRIVATE LIMITED</b>				
	At the Beginning of the Year 01-April-2023	160000	0.84	160000	0.84
	11-Aug-2023	-80000	0.42	80000	0.42
	31-March-2024	80000	0.42	80000	0.42
<b>5.</b>	<b>L7 HITECH PRIVATE LIMITED</b>				

	At the Beginning of the Year 01-April-2023	160000	0.84	160000	0.84
	07-April-2023	80000	1.26	240000	1.26
	16-June-2023	-160000	0.42	80000	0.42
	30-Jun-2023	-80000	0	0	0
	07-July-2023	60000	0	60000	0
	14-July-2023	-31000	0	29000	0
	28-Jul-2023	34000	0.33	63000	0.33
	11-Aug-2023	-63000	0	0	0
	08-Sep-2023	2500	0.01	2500	0.01
	15-Sep-2023	-2500	0	0	0
	12-Jan-2024	33000	0.17	33000	0.17
	19-Jan-2024	-24500	0.04	8500	0.04
	26-Jan-2024	5000	0.07	13500	0.07
	09-Feb-2024	-2500	0.06	11000	0.06
	16-Feb-2024	-5000	0.03	6000	0.03
	23-Feb-2024	-1000	0.03	5000	0.03
	01-Mar-2024	2000	0.04	7000	0.04
	15-Mar-2024	-2000	0.03	5000	0.03
	30-Mar-2024	5000	0.03	5000	0.03
<b>6.</b>	<b>SURJIT SINGH MINHAS</b>				
	At the Beginning of the Year 01-April-2023	92943	0.49	92943	0.49
	14-Apr-2023	5000	0.51	97943	0.51
	21-Apr-2023	12500	0.58	110443	0.58
	19-May-2023	5000	0.06	115443	0.60
	26-May-2023	8000	0.65	123443	0.65
	02-Jun-2023	10000	0.70	133443	0.70
	16-Jun-2023	2000	0.71	135443	0.71
	21-Jul-2023	3000	0.72	138443	0.72
	28-Jul-2023	796	0.73	139239	0.73
	11-Aug-2023	5000	0.75	144239	0.75
	16-Feb-2024	4128	0.78	148367	0.78
	23-Feb-2024	-5935	0.75	142432	0.75
	30-Mar-2024	142432	0.75	142432	0.75
<b>7.</b>	<b>VASUDEV LALWANI</b>				
	At the Beginning of the Year 01-April-2023	103300	0.54	103300	0.54
	25-Aug-2023	-97500	0.03	5800	0.03
	05-Jan-2024	-5800	0	0	0
	29-Mar-2024	5800	0.03	5800	0.03
	30-Mar-2024	5800	0.03	5800	0.03
<b>8.</b>	<b>AKRITI AGARWAL</b>				
	At the Beginning of the Year 01-April-2023	80000	0.42	80000	0.42
	19-May-2023	-80000	0	0	0
	30-Mar-2024	0	0	0	0
<b>9.</b>	<b>ANURAG AGARWAL</b>				
	At the Beginning of the Year 01-April-2023	80000	0.42	80000	0.42
	07-Apr-2023	-80000	0	0	0
	30-Mar-2024	0	0	0	0
<b>10.</b>	<b>SUNITA AGARWAL</b>				
	At the Beginning of the Year 01-April-2023	80000	0.42	80000	0.42
	19-May-2023	-80000	0	0	0

	31-Mar-2024	0	0.00	0	0
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**(v) Shareholding of Directors and Key Managerial Personnel**

**1. AKSHAY KUMAR GURNANI**

Sl. No.	Particulars	Shareholding at the Beginning of the year			Cumulative Shareholding during the year		
		Date	No. of shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
1.	At the beginning of the	01/04/2023	688722	3.60			
	Date wise Increase/ Decrease in Shareholding during the year reasons for the same: Market Buy/Sell						
	At the End of the year	31/03/2024	688722	3.60			

**2. JYOTI GURNANI**

Sl. No.	Particulars	Shareholding at the Beginning of the year			Cumulative Shareholding during the year		
		Date	No. of shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
1.	At the beginning of the	01/04/2023	0	0			
	Date wise Increase/ Decrease in Shareholding during the year reasons for the same: Market Buy/Sell						
	At the End of the year	31/03/2024	0	0			

**3. NARAIN DAS GURNANI**

Sl. No.	Particulars	Shareholding at the Beginning of the year			Cumulative Shareholding during the year		
		Date	No. of shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
1.	At the beginning of the	01/04/2023	13200	0.07			
	Date wise Increase/ Decrease in Shareholding during the year reasons for the same: Market Buy/Sell	-	-	-	-	-	-
	At the End of the year	31/03/2024	13200	0.07			

**4. KANWAR JEET SINGH**

Sl. No.	Particulars	Shareholding at the Beginning of the year			Cumulative Shareholding during the year		
		Date	No. of shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
1.	At the beginning of the	01/04/2023	0	0.0			

Date wise Increase/ Decrease in Shareholding during the year reasons for decrease: Market Buy/ Sell	-	-	-	-	-	-
At the End of the year	31/03/2024	0	0.00			

#### 5. HARI KRISHAN MOTWANI

Sl. No.	Particulars	Shareholding at the Beginning of the year			Cumulative Shareholding during the year		
		Date	No. of shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
1.	At the beginning of the year	01/04/2023	0	0.0			
	Date wise Increase/ Decrease in Shareholding during the year reasons for the same: Market Buy/Sell	-	-	-	-	-	-
	At the End of the year	31/03/2024	0	0.00			

#### 6. SANJEEV KUMAR DASS

Sl. No.	Particulars	Shareholding at the Beginning of the year			Cumulative Shareholding during the year		
		Date	No. of shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
1.	At the beginning of the	01/04/2023	0	0.0			
	Date wise Increase/ Decrease in Shareholding during the year reasons for the same: Market Buy/Sell	-	-	-	-	-	-
	At the End of the year	31/03/2024	0	0.00			

### V. INDEBTEDNESS

#### Indebtedness of the Company including interest outstanding/accrued but not due for payment (In Lacs)

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial</b>				
i) Principal Amount	2727.49	-	-	2727.49
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>2727.49</b>	-	-	<b>2727.49</b>
<b>Change in Indebtedness during the financial year</b>		-	-	
.Addition	-	-	-	-
.Reduction	1464.93	-	-	1464.93
<b>Net Change</b>	<b>(1464.93)</b>			<b>(1464.93)</b>
<b>Indebtedness at the end of the financial Year</b>				
i) Principal Amount	1262.56			1262.56



ii) Interest due but not paid	-			-
iii) Interest accrued but not due	-			-
<b>Total ( i+ ii+ iii)</b>	<b>1262.56</b>			<b>1262.56</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl.No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Akshay Kumar Gurnani (MD & CEO)	Narain Das Gurnani (WTD & CFO)	Jyoti Gurnani (Woman Director)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	36,00,000	12,00,000	6,00,000	54,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission - as % of profit - other, specify	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total (A)</b>	<b>36,00,000</b>	<b>12,00,000</b>	<b>6,00,000</b>	<b>54,00,000</b>
	Ceiling as per the Act	5% Of net profit	5% of net profit	1% of net profit	10% of Net Profit

### B. REMUNERATION TO OTHER DIRECTORS:

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Sanjeev Kumar Dass	Kanwar Jeet Singh	Hari Krishan Motwani	
1.	Independent Directors - Fee for attending board committee meetings (Per Meeting Rs.2500/-) - Commission - Others, please specify	50000	32500	50000	132500
	Total (1)	50000	32500	50000	132500

2.	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	0	0	0	0
	Total (2)	0	0	0	0
	Total (B)=(1+2)	50000	32500	50000	132500
	<b>Total Managerial Remuneration</b>	50000	32500	50000	147500

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel				
		CEO	Mrs. Varsha Ranee Choudhary	Kritika Todwal	CFO	Total
1.	Gross salary	-				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	3,43,762	70,000	-	4,13,762
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-				
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - Others, specify	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	<b>Total</b>	-	3,43,762	70,000	-	4,13,762

**NOTE:** Mrs. Kritika Todwal has appointed as Key Managerial Personnel of the Company as on 1<sup>st</sup> February 2024.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-

Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Date: 03/09/2024

Place: Jaipur

For and on behalf of the Board of Directors

**Akshay Kumar Gurnani**  
Managing Director & CEO  
DIN: 06888193

**Narain Das Gurnani**  
Whole-time Director & CFO  
DIN: 01970599



**GOVIND JAISWAL & CO**  
Company Secretaries (**PEER REVIEWED FIRM**)

108, First Floor, Bajrangbali Tower,  
Central Spine Vidyadhar Nagar  
Jaipur - 302039  
**Ph:** +91 9509909133  
**Email:** csgovindjaiswal@outlook.com

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

[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]

**For the Financial Year ended 31<sup>st</sup> March, 2024**

To,  
The Members  
**VETO SWITCHGEARS AND CABLES LIMITED**  
506, 5th Floor, Plot No. B-9, Landmark  
Building New Link Road, Andheri (West),  
Mumbai, Mumbai City, Maharashtra-  
400058, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VETO SWITCHGEARS AND CABLES LIMITED** (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on **31.03.2024**, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **VETO SWITCHGEARS AND CABLES LIMITED** ("**The Company**") for the period ended on **31.03.2024** according to the provisions of:

**Email:** csgovindjaiswal@gmail.com; cs.compliancek@gmail.com  
**F-108, BAJRANGBALI TOWER, CENTRAL SPINE, VIDHAYADHAR NAGAR, JAIPUR-302039**



**GOVIND JAISWAL & CO**  
*Company Secretaries (PEER REVIEWED FIRM)*

108, First Floor, Bajrangbali Tower,  
Central Spine Vidyadhar Nagar  
Jaipur - 302039  
**Ph:** +91 9509909133  
**Email:** [csgovindjaiswal@outlook.com](mailto:csgovindjaiswal@outlook.com)

- i. The Companies Act, 2013 (**the Act**) and the Rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; [**Not Applicable On The Company During The Audit Period**]
  - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - e) The Securities and Exchange Board of India (Depositories & Participant) Regulations, 2018;
  - f) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; [**Not Applicable On The Company During The Audit Period**]
  - g) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021; [**Not Applicable On The Company During The Audit Period**]
  - h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; [**Not Applicable On The Company During The Audit Period**]
  - i) The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993; [**Not Applicable On The Company During The Audit Period**]

**Email:** [csgovindjaiswal@gmail.com](mailto:csgovindjaiswal@gmail.com); [cs.compliancek@gmail.com](mailto:cs.compliancek@gmail.com)  
**F-108, BAJRANGBALI TOWER, CENTRAL SPINE, VIDHAYADHAR NAGAR, JAIPUR-302039**



**GOVIND JAISWAL & CO**  
*Company Secretaries (PEER REVIEWED FIRM)*

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And as confirmed by the management, there are certain Sector-specific laws that are applicable specifically to the Company:

- a) Factories Act, 1948;
- b) The Bureau of Indian Standard Act, 1986 and Rules made thereunder;
- c) The Employees State Insurance Act, 1948;
- d) Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- e) Payment of Wages Act, 1936 and other applicable Labour Laws;
- f) Environment Protection Act, 1986 and other Environmental Laws;

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

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The Listing Agreements entered into by the Company with the BSE Limited & National StockExchange of India Limited.

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

**I further report that:**

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

- a.) Appointment of CS Kritika Todwal as a Company Secretary (Compliance Officer) in place of Mrs. Varsha Ranee Choudhary.
- b.) During the year under review the company has shut down his business operation of its wholly owned subsidiary situated in Dubai, U.A.E. which was incorporated on 11.10.2015 with the name "VETO OVERSEAS PRIVATE- F.Z.E"



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*Company Secretaries (PEER REVIEWED FIRM)*

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**Email:** [csgovindjaiswal@outlook.com](mailto:csgovindjaiswal@outlook.com)

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I further report that** based on the information provided and the representation made by the Company and also on the review of the compliance certificates, in our opinion, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with labour laws and other applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period there are no events / actions which have a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

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

**FOR GOVIND JAISWAL & COMPANY**  
(COMPANY SECRETARIES)  
ICSI Unique Code: S2018RJ576400  
(PEER REVIEWED FIRM)

*Govind Jaiswal*

**Email:** [csgovindjaiswal@gmail.com](mailto:csgovindjaiswal@gmail.com); [cs.compliancek@gmail.com](mailto:cs.compliancek@gmail.com)  
**F-108, BAJRANGBALI TOWER, CENTRAL SPINE, VIDHAYADHAR NAGAR, JAIPUR-302039**



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**CS GOVIND JAISWAL**

PROPRIETOR

C.P. NO - 19954

M. No. - 52310

**UDIN - A052310F001106473**

PEER REVIEW CERTIFICATE NO\_1309/2021

Date: 02/09/2024

Place: Jaipur





**GOVIND JAISWAL & CO**  
*Company Secretaries (PEER REVIEWED FIRM)*

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**Email: [csgovindjaiswal@outlook.com](mailto:csgovindjaiswal@outlook.com)**

**ANNEXURE - A**

To,  
The Members  
**VETO SWITCHGEARS AND CABLES LIMITED**  
506, 5th Floor, Plot No. B-9, Landmark  
Building New Link Road, Andheri (West),  
Mumbai, Mumbai City, Maharashtra-  
400058, India

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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

**Email: [csgovindjaiswal@gmail.com](mailto:csgovindjaiswal@gmail.com); [cs.compliancek@gmail.com](mailto:cs.compliancek@gmail.com)**  
**F-108, BAJRANGBALI TOWER, CENTRAL SPINE, VIDHAYADHAR NAGAR, JAIPUR-302039**



**GOVIND JAISWAL & CO**  
Company Secretaries (**PEER REVIEWED FIRM**)

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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 GOVIND JAISWAL & COMPANY**  
(COMPANY SECRETARIES)  
ICSI Unique Code: S2018RJ576400  
(PEER REVIEWED FIRM)

*Govind Jaiswal*

**CS GOVIND JAISWAL**  
PROPRIETOR  
C.P. NO - 19954  
M. No. - 52310  
**UDIN - A052310F001106473**  
PEER REVIEW CERTIFICATE NO\_1309/2021

Date: 02/09/2024  
Place: Jaipur

**Note: The qualification, reservation or adverse remarks; if any, are stated at the relevant place(s).**



**GOVIND JAISWAL & CO**  
Company Secretaries (**PEER REVIEWED FIRM**)

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Email: [csgovindjaiswal@outlook.com](mailto:csgovindjaiswal@outlook.com)

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

[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]

**For the Financial Year ended 31<sup>st</sup> March, 2024**

To,  
The Members  
**VANKON MODULAR PRIVATE LIMITED**  
S. NO. 72 & 74, GALA NO. 4 & 5, GROUND FLOOR,  
PLOT NO. 22 MEGHDOOT SIGNATURE, VASAI  
ROAD –EAST, THANE, MH-401208, INDIA

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VANKON MODULAR PRIVATE LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on **31.03.2024**, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **VANKON MODULAR PRIVATE LIMITED ("The Company")** for the period ended on **31.03.2024** according to the provisions of:

**GOVIND**  
**JAISWAL**  
Digitally signed  
by GOVIND  
JAISWAL  
Date: 2024.09.02  
18:04:10 +05'30'

Email: [csgovindjaiswal@gmail.com](mailto:csgovindjaiswal@gmail.com), [cs.compliancek@gmail.com](mailto:cs.compliancek@gmail.com)

**F-108, BAJRANGBALI TOWER, CENTRAL SPINE, VIDHAYADHAR NAGAR, JAIPUR-302039**



- i. The Companies Act, 2013 (**the Act**) and the Rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**):-
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- vi. As confirmed by the Management of the Company, there are certain laws that are applicable specifically to the Company.
- The Company being a Material Subsidiary of **M/s. Veto Switchgears And Cables Limited**, certain employees of the Company have been categorized as Designated Persons and are covered by the Code of Conduct under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 of **M/s. Veto Switchgears And Cables Limited**.
- a) Factories Act, 1948;
  - b) The Bureau of Indian Standard Act, 1986 and Rules made thereunder;
  - c) The Employees State Insurance Act, 1948;
  - d) Employees Provident Fund and Miscellaneous Provisions Act, 1952;
  - e) Payment of Wages Act, 1936 and other applicable Labour Laws;
  - f) Environment Protection Act, 1986 and other Environmental Laws;



**GOVIND JAISWAL & CO**  
*Company Secretaries (PEER REVIEWED FIRM)*

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**Ph:** +91 9509909133  
**Email:** [csgovindjaiswal@outlook.com](mailto:csgovindjaiswal@outlook.com)

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

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The Listing Agreements entered into by the holding Company **(M/s. Veto Switchgears And Cables Limited)** of the Company, with the BSE Limited & National Stock Exchange of India Limited.

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

During the audit period under review, provisions of the following Acts / Regulations were not applicable to the Company prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
- c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations 2008.

**I further report that:**

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

GOVIND  
JAISWAL  
Digitally signed  
by GOVIND  
JAISWAL  
Date: 2024.09.02  
18:04:56 +05'30'

**Email:** [csgovindjaiswal@gmail.com](mailto:csgovindjaiswal@gmail.com), [cs.compliancek@gmail.com](mailto:cs.compliancek@gmail.com)

**F-108, BAJRANGBALI TOWER, CENTRAL SPINE, VIDHAYADHAR NAGAR, JAIPUR-302039**



**GOVIND JAISWAL & CO**  
*Company Secretaries (PEER REVIEWED FIRM)*

108, First Floor, Bajrangbali Tower,  
Central Spine Vidyadhar Nagar  
Jaipur - 302039  
**Ph:** +91 9509909133  
**Email:** [csgovindjaiswal@outlook.com](mailto:csgovindjaiswal@outlook.com)

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

**I further report that** during the audit period, the following specific events / actions having major bearing on the Company's in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. took place:

- (a) The company has acquired 9,999 equity shares of **VKUMAR ELECTRICAL COMPONENTS PRIVATE LIMITED** and has authorized Mr. Akshay Kumar Gurani as an authorized signatory of the company to hold shares on company's behalf.

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

**FOR GOVIND JAISWAL & COMPANY**  
(COMPANY SECRETARIES)  
ICSI Unique Code: S2018RJ576400  
(PEER REVIEWED FIRM)

*Govind Jaiswal*

**Email:** [csgovindjaiswal@gmail.com](mailto:csgovindjaiswal@gmail.com), [cs.compliancek@gmail.com](mailto:cs.compliancek@gmail.com)  
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**GOVIND JAISWAL & CO**  
*Company Secretaries (PEER REVIEWED FIRM)*

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**CS GOVIND JAISWAL**  
PROPRIETOR  
C.P. NO - 19954  
M. No. - 52310  
**UDIN - A052310F001106550**  
PEER REVIEW CERTIFICATE NO\_1309/2021

Date: 02/09/2024  
Place: Jaipur

**Note: The qualification, reservation or adverse remarks; if any, are stated at the relevant place(s)**

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Date: 2024.09.02  
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**GOVIND JAISWAL & CO**  
Company Secretaries (**PEER REVIEWED FIRM**)

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Ph: +91 9509909133  
Email: [csgovindjaiswal@outlook.com](mailto:csgovindjaiswal@outlook.com)

**ANNEXURE - A**

**ANNEXURE TO THE SECRETARIAL AUDIT REPORT**

To,  
The Members  
**VANKON MODULAR PRIVATE LIMITED**  
S. NO. 72 & 74, GALA NO. 4 & 5, GROUND FLOOR,  
PLOT NO. 22 MEGHDOOT SIGNATURE, VASAI  
ROAD -EAST, THANE, MH-401208, INDIA

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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever 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.

GOVIND  
JAISWAL  
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by GOVIND  
JAISWAL  
Date: 2024.09.02  
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Email: [csgovindjaiswal@gmail.com](mailto:csgovindjaiswal@gmail.com), [cs.compliancek@gmail.com](mailto:cs.compliancek@gmail.com)  
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**GOVIND JAISWAL & CO**  
Company Secretaries (**PEER REVIEWED FIRM**)

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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 GOVIND JAISWAL & COMPANY**  
(COMPANY SECRETARIES)  
ICSI Unique Code: S2018RJ576400  
(PEER REVIEWED FIRM)

*Govind Jaiswal*

**CS GOVIND JAISWAL**  
PROPRIETOR  
C.P. NO - 19954  
M. No. - 52310  
**UDIN - A052310F001106550**  
PEER REVIEW CERTIFICATE NO\_1309/2021

Date: 02/09/2024  
Place: Jaipur

**Note: The qualification, reservation or adverse remarks; if any, are stated at the relevant place(s).**

**Email:** [csgovindjaiswal@gmail.com](mailto:csgovindjaiswal@gmail.com), [cs.compliancek@gmail.com](mailto:cs.compliancek@gmail.com)  
**F-108, BAJRANGBALI TOWER, CENTRAL SPINE, VIDHAYADHAR NAGAR, JAIPUR-302039**



**GOVIND JAISWAL & CO**  
*Company Secretaries (PEER REVIEWED FIRM)*

108, First Floor, Bajrangbali Tower,  
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Jaipur - 302039  
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**Email:** [csgovindjaiswal@outlook.com](mailto:csgovindjaiswal@outlook.com)

**CERTIFICATE ON CORPORATE GOVERNANCE OF VETO SWITCHGEARS AND CABLES LIMITED**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024**

**To,**  
**The Members,**  
**Veto Switchgears and Cables Limited**

I have examined the compliance of conditions of Corporate Governance by **Veto Switchgears and Cables Limited** for the year ended 31st March, 2024 as stipulated in the Listing Agreement of the said Company with Stock Exchanges.

**Management's Responsibility**

The Compliance of the conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations

**Our Responsibility**

My examination has been limited to procedures and implementations thereof adopted by the Company for ensuring compliance with the Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the company.



**GOVIND JAISWAL & CO**  
*Company Secretaries (PEER REVIEWED FIRM)*

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**Ph:** +91 9509909133  
**Email:** [csgovindjaiswal@outlook.com](mailto:csgovindjaiswal@outlook.com)

**Opinion**

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

I state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Shareholders / Investors Grievance Committee.

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

**FOR GOVIND JAISWAL & COMPANY**  
(COMPANY SECRETARIES)  
ICSI Unique Code: S2018RJ576400  
(PEER REVIEWED FIRM)

*Govind Jaiswal*



**GOVIND JAISWAL & CO**  
*Company Secretaries (PEER REVIEWED FIRM)*

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**CS GOVIND JAISWAL**  
PROPRIETOR  
C.P. NO – 19954  
M. No. – 52310  
**UDIN - A052310F001106473**  
PEER REVIEW CERTIFICATE NO\_1309/2021

Date: 02/09/2024  
Place: Jaipur



**GOVIND JAISWAL & CO**  
*Company Secretaries (PEER REVIEWED FIRM)*

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Central Spine Vidyadhar Nagar  
Jaipur - 302039  
**Ph:** +91 9509909133  
**Email:** [csgovindjaiswal@outlook.com](mailto:csgovindjaiswal@outlook.com)

**CERTIFICATE OF NON - DISQUALIFICATION OF DIRECTORS OF VETO SWITCHGEARS AND  
CABLES LIMITED FOR THE YEAR ENDED 31ST MARCH, 2024**

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

This Certificate is being issued to the Members of **Veto Switchgears and Cables Limited**, bearing Corporate Identity Number (CIN) - L31401MH2007PLC171844, having its registered office address at 506, 5th Floor, Plot No. B-9 Landmark Building, New Link Road, Andheri (west) Mumbai MH 400058 ("**the Company**") in terms of Regulation 34(3) read with Schedule V Para C Clause 10(i) of the Securities Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and from the verification of records and details available independently and those made available to us, by the Company and on the basis of representation received from the management of the Company, I hereby certify that none of the members of the Board of Directors of M/s. Veto Switchgears and Cables Limited have been debarred or disqualified from being appointed as directors of Companies.



**GOVIND JAISWAL & CO**  
Company Secretaries (**PEER REVIEWED FIRM**)

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Central Spine Vidyadhar Nagar  
Jaipur - 302039  
Ph: +91 9509909133  
Email: [csgovindjaiswal@outlook.com](mailto:csgovindjaiswal@outlook.com)

Following is the list of Directors of the Company as on the date of issue of this certificate:

S. No.	Name of Director	DIN	Designation	Date of Appointment
1	AKSHAY KUMAR GURNANI	06888193	Managing Director cum CEO	27/08/2014
2	NARAIN DAS GURNANI	01970599	Whole time Director cum CFO	24/05/2016
3	SANJEEV KUMAR DASS	09690317	Independent Director	01/09/2022
4	JYOTI GURNANI	06953899	Women Director	27/08/2014
5	KANWAR JEET SINGH	07813714	Independent Director	06/05/2017
6	HARI KRISHAN MOTWANI	08570545	Independent Director	28/09/2019



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**FOR GOVIND JAISWAL & COMPANY**  
(COMPANY SECRETARIES)  
ICSI Unique Code: S2018RJ576400  
(PEER REVIEWED FIRM)

*Govind Jaiswal*  


**CS GOVIND JAISWAL**  
PROPRIETOR  
C.P. NO - 19954  
M. No. - 52310  
**UDIN - A052310F001106473**  
PEER REVIEW CERTIFICATE NO\_1309/2021

Date: 02/09/2024  
Place: Jaipur

**Affirmation by Chairman**

**Declaration pursuant to  
SEBI (Listing Obligations and Disclosure  
Requirements) Regulations, 2015**

**To,  
The Board of Directors,  
Veto Switchgears and Cables Limited,  
506, 5th Floor, Plot No. B-9,  
Landmark Building, New Link Road,  
Andheri (West), Mumbai**

I, Akshay Kumar Gurnani, Chief Executive Officer of the Company do hereby confirm and declare that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the company for the financial year ended 31<sup>st</sup> March, 2024.

**Place: Jaipur  
Date: 03/09/2024**

**Akshay Kumar Gurnani  
DIN: 06888193  
Chief Executive Officer**



**CEO'S/ CFO'S Certificate**

***[Compliance Certificate pursuant to Regulation 17(8) and Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]***

**To,  
The Board of Directors,  
Veto Switchgears and Cables Limited,**

**We hereby certify to the Board of Directors of Veto switchgears and Cables Limited:-**

- A. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2024 and that to the best of our knowledge and belief, certify that:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2023-2024 which are fraudulent, illegal or volatile of the Company's code of conduct.
- C. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed, to the Auditors and the Audit Committee, wherever applicable, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee, wherever applicable,
1. significant changes in internal control over financial reporting during the year;
  2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**Place: Jaipur  
Date: 29/05/2024**

**Akshay Kumar Gurnani  
(Managing Director & CEO)  
DIN: 06888193  
PAN : AYOPG9890J**

**Narain Das Gurnani  
(Whole-time Director & CFO)  
DIN: 01970599  
PAN : AERPG5958A**

## INDEPENDENT AUDITOR'S REPORT

To the Members of Veto Switchgears and Cables Limited

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

#### Opinion

We have audited the accompanying consolidated financial statements of **Veto Switchgears and Cables Limited** (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2024, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated cash flows Statement the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies (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, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2024, and their consolidated profit (including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI 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 the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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. During the course of our audit, we have determined that there are no key audit matters to communicate in our report.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the management discussion and analysis, Board's Report, Report on Corporate governance and Business Responsibility report but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's report thereon. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding 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 in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated state of affairs (consolidated financial position) , consolidated profit or loss (Consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

1. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.
2. 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group 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 Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
  - Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
3. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
4. 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.

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

### **Other Matters**

1. We did not audit the financial statements of Veto Electricals Private Limited, Veto Led Lighting Private Limited, Veto Overseas Private FZE and Vankon Modular Private Limited included in the consolidated annual financial statements, whose financial statements reflect Group's share of total assets of Rs. 7,166.34 lakhs as at 31 March 2024, Group's share of total revenue of Rs. 9,053.99 lakhs, total net profit after tax of Rs. 311.04 lakhs for the year ended 31<sup>st</sup> March 2024 total comprehensive income of Rs. 311.04 lakhs for the year ended on that date and Group's share of net cash Outflows of Rs. 75.64 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

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

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of 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 and the reports of the other auditors.

- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure A**.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group has disclosed pending litigation in its financial statements (refer note no.43)
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.
  - iv. (a) The respective Managements of the Holding company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their 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 or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, 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. Based on our examination, which include test checks, the Holding company and its subsidiaries incorporated in India whose financial statements have been audited under the Act, have used accounting software for maintaining its books of accounts for the financial year ended March 31, 2024, which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transaction recorded in software. Further during our audit, we did not come across any instances of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

- vi. The final dividend paid by the Holding company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to the payment of dividends.

The Board of Directors of the Holding company has proposed a final dividend for the year which is subject to approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with Section 123 of the Act to the extent it applies to dividends. (Refer note 54 to the Consolidated financial statements).

- vii. In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2024 has been paid /



provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For C A S & Co**

*Chartered Accountants*

Firm Registration No. 111075W

**Sajjan Kanodia**

Partner

Membership No. 048047

UDIN: 24048047BKDHIT2131

Date: 29<sup>th</sup> May 2024

Place: Mumbai

**Annexure “A” to the Independent Auditor’s Report of even date on the Consolidated Ind AS financial statements of Veto Switchgears and Cables Limited for the year ended 31st March 2024.**

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of **Veto Switchgears and Cables Limited** (hereinafter referred to as the “Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

### **Management’s Responsibility for Internal Financial Controls**

The Boards of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor’s Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal financial control over financial reporting 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 ICAI.

**Other Matters**

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 insofar as it relates to 3 subsidiary companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

**For C A S & Co**

*Chartered Accountants*

Firm Registration No. 111075W

**Sajjan Kanodia**

Partner

Membership No. 048047

UDIN: 24048047BKDHIT2131

Date: 29<sup>th</sup> May 2024

Place: Mumbai

**Veto Switchgears and Cables Limited**  
**Consolidated Balance Sheet as at 31st March, 2024**

(Rs. In Lakhs)

Particulars	Notes	As at 31st March, 2024	As at 31st March, 2023
<b>ASSETS</b>			
<b><u>Non-Current Assets</u></b>			
Property, Plant and Equipment	3	2,748.89	2,669.40
Capital work in progress	4	944.40	652.42
Right of Use Assets	5	38.84	39.95
Investment Property	6	1,315.63	1,340.38
Other Intangible assets	7	-	-
Goodwill on Consolidation	8	0.11	0.11
<b><u>Financial Asset</u></b>			
Investments	9	0.76	0.76
Other financial assets	10	161.62	269.48
Deferred tax asset (net)	11	405.58	339.86
Income Tax Assets	12	28.06	-
Other Non current assets	13	16.21	6.20
<b>Total Non-Current Assets</b>		<b>5,660.10</b>	<b>5,318.56</b>
<b><u>Current Assets</u></b>			
Inventories	14	9,436.99	10,488.18
<b><u>Financial Asset</u></b>			
Trade receivables	15	13,299.38	13,593.00
Cash and cash equivalents	16	754.49	1,518.46
Bank Balance other than cash and cash equivalent	17	39.21	6.41
Other financial assets	18	419.81	266.19
Other Current Asset	19	1,009.25	935.96
<b>Total Current Assets</b>		<b>24,959.13</b>	<b>26,808.20</b>
<b>TOTAL ASSETS</b>		<b>30,619.23</b>	<b>32,126.76</b>
<b>EQUITY AND LIABILITIES</b>			
<b><u>Shareholders' Funds</u></b>			
Equity Share capital	20	1,911.50	1,911.50
Other Equity	21	22,713.81	21,376.85
<b>Equity attributable to Owners of the Company</b>		<b>24,625.30</b>	<b>23,288.35</b>
Non-Controlling interests		100.20	89.08
<b>Total Equity</b>		<b>24,725.50</b>	<b>23,377.43</b>
<b><u>Non-current Liabilities</u></b>			
<b><u>Financial liabilities</u></b>			
Borrowings	22	209.76	1,046.98
Lease liabilities	23	22.27	35.94
Other financial liabilities	24	405.63	420.62
Provisions	25	256.29	205.19
<b>Total Non-current Liabilities</b>		<b>893.95</b>	<b>1,708.73</b>
<b><u>Current Liabilities</u></b>			
<b><u>Financial liabilities</u></b>			
Borrowings	26	1,998.06	3,245.32
Trade payables	27		
- Due to micro and small enterprises		570.20	1,190.97
- Due to Others		1,858.86	1,820.90
Lease liabilities	28	26.01	10.60
Other financial liabilities	29	308.96	331.70
Other current liabilities	30	159.24	288.75
Provisions	31	16.83	16.31
Income tax liabilities (net)	32	61.62	136.05
<b>Total Current Liabilities</b>		<b>4,999.78</b>	<b>7,040.60</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>30,619.23</b>	<b>32,126.76</b>
Summary of material accounting policies and other notes on accounts	1 & 2		
The accompanying notes form an integral part of the financial statements.	3 - 55		

As per our report of even date attached

**For C A S & Co**

Chartered Accountants

Firm Registration No. 111075W

For and on behalf of the Board of Directors of

**Veto Switchgears and Cables Limited**

**Sajjan Kanodia**

Partner

Membership No. : 048047

**Akshay Kumar Gurnani**

Managing Director & CEO

(DIN : 06888193)

**Narain Das Gurnani**

Whole Time Director & CFO

(DIN : 01970599)

**Kritika Todwal**

Company Secretary

**Veto Switchgears and Cables Limited**  
**Consolidated Statement of Profit and Loss for the year ended 31st March, 2024**

(Rs. In Lakhs)

Particulars	Notes	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>INCOME</b>			
Revenue from operation	33	30,009.43	29,019.62
Other income	34	473.32	531.46
<b>Total Revenue</b>		<b>30,482.75</b>	<b>29,551.08</b>
<b>EXPENSES</b>			
Cost of materials consumed	35	11,456.63	11,292.65
Purchases of stock-in-trade	36	9,938.77	8,746.97
Changes in inventories of finished goods and stock in trade	37	1,008.52	1,417.24
Employee benefits expense	38	1,821.11	1,886.45
Finance costs	39	414.46	478.24
Depreciation and amortisation expense	40	272.57	282.13
Other expenses	41	2,695.50	2,405.87
		<b>27,607.56</b>	<b>26,509.55</b>
<b>Profit before tax</b>		<b>2,875.19</b>	<b>3,041.53</b>
<b>Tax expense/ (credit)</b>			
- Current tax		1,087.63	912.80
- Tax for earlier years		45.67	134.21
- Deferred tax liability / (asset)		(64.42)	(50.83)
		<b>1,068.88</b>	<b>996.18</b>
<b>Profit for the year (A)</b>		<b>1,806.31</b>	<b>2,045.35</b>
<b>Other comprehensive income (OCI)</b>			
Items not to be reclassified subsequently to profit or loss :			
- Re-measurement gains / (Loss) on defined benefits plans		6.66	6.95
- Income tax effect on above		(1.71)	(1.78)
Items that will be reclassified to Profit or Loss operations		(160.04)	186.19
<b>Other comprehensive income for the year, net of tax (B)</b>		<b>(155.09)</b>	<b>191.36</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>1,651.22</b>	<b>2,236.71</b>
<b>Net Profit attributable to</b>			
Owners of equity		1,795.20	2,024.74
Non Controlling Interest		11.11	20.62
<b>Total Comprehensive Income attributable to</b>			
Owners of Equity		1,640.11	2,216.10
Non Controlling Interest		11.11	20.62
<b>Earnings per equity share</b>			
(Nominal value of share Rs.10 (PY Rs.10))	42		
- Basic		9.45	10.70
- Diluted		9.45	10.70
Summary of material accounting policies and other notes on accounts	1 & 2		
The accompanying notes form an integral part of the financial statements.	3 - 55		

As per our report of even date attached

**For C A S & Co**

Chartered Accountants

Firm Registration No. 111075W

For and on behalf of the Board of Directors of

**Veto Switchgears and Cables Limited**

**Sajjan Kanodia**

Partner

Membership No. : 048047

**Akshay Kumar Gurnani**

Managing Director & CEO

(DIN : 06888193)

**Narain Das Gurnani**

Whole Time Director & CFO

(DIN : 01970599)

**Kritika Todwal**

Company Secretary

Place: Mumbai

Date: May 29, 2024

Place: Jaipur

Date: May 29, 2024

**Veto Switchgears and Cables Limited**  
**Consolidated Cash Flow Statement For the year ended 31st March, 2024**

(Rs. In Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>A. Cash flow from operating activities</b>		
Net profit before taxation	2,875.19	3,041.53
<b>Adjustments to reconcile profit before tax to net cash inflow from operating activities:</b>		
Depreciation and amortisation expense	272.57	282.13
Profit on sale of Property, Plant and Equipment	(1.07)	(0.15)
Finance costs	414.46	478.24
Interest income	(62.18)	(2.86)
Rent received	(102.44)	(90.11)
Provision for expected credit loss on trade receivables	89.85	72.34
Sundry balances written off	1.23	4.41
<b>Operating profit before working capital changes</b>	<b>3,487.61</b>	<b>3,785.54</b>
<b>Working capital adjustments:-</b>		
(Increase) / Decrease in Trade Receivables	203.76	(2,038.16)
(Increase) / Decrease in Inventories	1,051.19	1,733.86
(Increase) / Decrease in other financial assets	(47.00)	14.13
(Increase) / Decrease in other assets	(73.29)	(231.93)
Increase / (Decrease) in Trade Payables	(582.81)	(835.42)
Increase / (Decrease) in Other Financial Liabilities	(37.72)	(3.00)
Increase / (Decrease) in Other current liability	(129.52)	517.97
Increase / (Decrease) in Provisions	58.28	30.96
<b>Cash generated from / (used in) operations</b>	<b>3,930.50</b>	<b>2,973.95</b>
Income Tax paid	(1,235.81)	(1,176.71)
<b>Net cash flow from operating activities</b>	<b>2,694.69</b>	<b>1,797.24</b>
<b>B. Cash flow from investing activities</b>		
Acquisition of Property, Plant and Equipments (including capital work in progress) and Investment Property	(629.91)	(508.36)
Sale of property, plant and equipments	49.18	0.40
Maturity and Investment of fixed deposits and Interest received	22.97	(3.56)
Rent received	102.44	90.11
Cesation of subsidiary	(112.01)	-
<b>Net Cash inflow / (outflow) from investment activities</b>	<b>(567.33)</b>	<b>(421.41)</b>
<b>C. Cash flow from Financing Activities</b>		
Proceeds of Borrowings & Interest	(2,498.93)	(750.61)
Repayment of lease liabilities	(41.21)	(46.84)
Dividend paid	(191.15)	(191.15)
<b>Net cash flow from / (used in) financing activities</b>	<b>(2,731.29)</b>	<b>(988.60)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(603.93)</b>	<b>387.23</b>
Foreign Currency Translation Reserve	(160.04)	186.19
Cash and cash equivalents at the beginning of the year	1,518.46	945.04
<b>Cash and cash equivalents at the end of the year</b>	<b>754.49</b>	<b>1,518.46</b>

**Veto Switchgears and Cables Limited**  
**Consolidated Cash Flow Statement For the year ended 31st March, 2024**

(Rs. In Lakhs)

- Note :**
- The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.
  - Cash and cash equivalent at the end of the year consists of cash in hand and balances with banks as follows :

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cash on hand	22.13	25.10
Balances with bank on current account	478.61	1,493.36
Cash Credit accounts	253.75	-
	<b>754.49</b>	<b>1,518.46</b>

Particulars	As at March 31, 2022	New leases	Cashflows	Others	As at March 31, 2023
Borrowings - Non-current	357.00	-	689.97	-	1,046.98
Lease liabilities -Non-current	61.53	-	-	(25.59)	35.94
Borrowings - Current	4,213.04	-	(967.72)	-	3,245.32
Lease liabilities -Current	61.74	-	(46.84)	(4.31)	10.60

Particulars	As at March 31, 2023	New leases	Cashflows	Others	As at March 31, 2024
Borrowings - Non-current	1,046.98	-	(837.22)	-	209.76
Lease liabilities -Non-current	35.94	20.41	(30.61)	(3.46)	22.27
Borrowings - Current	3,245.32	-	(1,247.26)	-	1,998.06
Lease liabilities -Current	10.60	26.01	(10.60)	-	26.01

As per our report of even date attached  
**For C A S & Co**  
Chartered Accountants  
Firm Registration No. 111075W

For and on behalf of the Board of Directors of  
**Veto Switchgears and Cables Limited**

**Sajjan Kanodia**  
Partner  
Membership No. : 048047

**Akshay Kumar Gurnani**  
Managing Director & CEO  
(DIN : 06888193)

**Narain Das Gurnani**  
Whole Time Director & CFO  
(DIN : 01970599)

**Kritika Todwal**  
Company Secretary

Place: Mumbai  
Date: May 29, 2024

Place: Jaipur  
Date: May 29, 2024



**Veto Switchgears and Cables Limited**  
**Consolidated Statement of Changes in Equity for the year ended 31st March, 2024**

(Rs. In Lakhs)

**A) Equity share capital**

Particulars	Balance as at 01.04.2022	Changes in equity share capital	Balance as at 31.03.2023	Balance as at 01.04.2023	Changes in equity share capital	Balance as at 31.03.2024
Paid up Equity Capital	1,911.50	-	1,911.50	1,911.50	-	1,911.50

**B) Other equity**

Particulars	Reserves and surplus					Other comprehensive income		Total equity attributable to equity holders
	Securities premium reserve	Statutory Reserve	Retained earnings	Capital Reserve	Capital Reserve on Consolidation	Foreign Currency Translation Reserve	Re-measurement gains / (losses) on defined benefits plans	
<b>As at 31st March 2022</b>	<b>2,424.33</b>	<b>89.53</b>	<b>14,327.18</b>	<b>1,912.50</b>	<b>114.79</b>	<b>439.96</b>	<b>43.50</b>	<b>19,351.80</b>
Total comprehensive income for the year	-	-	2,024.85	-	-	186.19	5.17	2,216.21
Dividend Paid	-	-	(191.15)	-	-	-	-	(191.15)
Transfer to Statutory Reserves	-	0.73	(0.73)	-	-	-	-	(0.00)
<b>As at 31st March 2023</b>	<b>2,424.33</b>	<b>90.26</b>	<b>16,160.15</b>	<b>1,912.50</b>	<b>114.79</b>	<b>626.15</b>	<b>48.67</b>	<b>21,376.85</b>
Total comprehensive income for the year	-	-	1,795.20	-	-	(160.04)	4.95	1,640.11
Dividend Paid	-	-	(191.15)	-	-	-	-	(191.15)
Transfer to Statutory Reserves	-	0.65	(0.65)	-	-	-	-	(0.00)
Cesation of subsidiary	-	(90.91)	445.01	-	-	(466.11)	-	(112.01)
<b>As at 31st March 2024</b>	<b>2,424.33</b>	<b>-</b>	<b>18,208.57</b>	<b>1,912.50</b>	<b>114.79</b>	<b>-</b>	<b>53.62</b>	<b>22,713.81</b>

**Description of nature and purpose of reserve**

**Securities Premium Reserve**

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

**Statutory Reserve**

Statutory reserves represents surplus allocated as statutory reserve according to the Articles of Association and Article 8 of the Memorandum of Incorporation (modified) of one of the Subsidiary companies, viz. Veto Overseas Private FZE and prevalent law for establishments in Ajman Free Zone, Ajman, U.A.E.

**Retained Earnings**

Retained Earnings represents surplus/accumulated earnings of the Group company and are available for distribution to shareholders.

**(Gain / (loss) on fair value of defined benefit plans)**

The Group company has recognised remeasurement gains/ (loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The Group company transfers amounts from this reserve to retained earnings when the relevant obligations are derecognised.

**Capital Reserve**

Capital Reserve represents reserves of the Company on the forfeiture of the upfront subscription amount received on the share warrants, on non-exercise of option before the due date to convert such warrants into equity shares. The reserve is utilised in accordance with the provisions of the Act.

**Foreign Currency Translation Reserve**

Foreign Currency Translation Reserve represents accumulated gain/ (loss) on remeasuring the financial statements of the foreign entity presented in foreign currency (AED) into the reporting currency of parent company (INR).

This is the Statement of Changes in Equity referred to in our audit report of even date

**For C A S & Co.**

Chartered Accountants  
 Firm Registration No. 111075W

**For and on behalf of the Board of Directors**

Veto Switchgears and Cables Limited

**Sajjan Kanodia**

Partner  
 Membership No. : 048047

**Akshay Kumar Gurnani**

Managing Director & CEO  
 (DIN : 06888193)

**Narain Das Gurnani**

Whole Time Director & CFO  
 (DIN : 01970599)

**Kritika Todwal**

Company Secretary

Place: Mumbai  
 Date: May 29, 2024

Place: Jaipur  
 Date: May 29, 2024

**Veto Switchgears And Cables Limited**  
**Notes to consolidated financial statements for the year ended 31 March 2024**

**Note 1 Corporate Information**

Veto Switchgears and Cables Limited (the Holding Company) is a listed public company domiciled in India and incorporated under the provisions of the Companies Act, 1956, having registered office at 506, 5th floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West), Mumbai 400058 and Corporate office is located at 4th Floor, Plot No. 10, Days Hotel, Airport Plaza Scheme, Behind Hotel Radisson Blu, Tonk Road, Durgapura, Jaipur 302018, Rajasthan, India. The Holding Company has its manufacturing unit at Haridwar. The Holding Company is engaged in manufacturing of wires & cables, electrical accessories & also deals in LED lighting, CFL & Fans. The Holding Company's equity shares have been listed on two stock exchanges in India namely National Stock Exchange ("NSE") and on Bombay Stock Exchange ("BSE")

The consolidation financial statement of the group Company (Holding Company and its subsidiaries together referred to as "the Group company") for the year ended 31st March 2024 was approved and authorised to issue by the Audit Committee and by the Board of Directors at their respective meetings held on 29th May 2024

**Note 2.1 Basis of preparation and presentation of Consolidated financial statements**

**i Basis of Preparation of Consolidated Financial Statements**

The financial statements of the group company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015 read together with the company (Indian Accounting standards) rules, 2015 (as amended).

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

The financial statement has been prepared for the as a going concern on the basis of of relevant Ind AS that are effective at the Group company's annual reporting date, 31st March 2024

All the assets and liabilities have been classified as current and non-current as per normal operating cycle of the of the group company and other criteria set out in as per the guidance set out in Schedule III to the Act. Based on nature of services, the of the the group company ascertained its operating cycle as 12 months for the purpose of current and non-current classification of asset and liabilities.

The group company financial statements are reported in Indian Rupees, which is also the holdong company's functional currency, and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

**ii Principles of Consolidation**

The financial statements have been prepared on the following basis:

- a) The financial statements of the holding company and its subsidiary companies have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances / transactions and elimination of resulting unrealized profits / losses in accordance with Indian Accounting Standard ('Ind AS') - 110 'Consolidated Financial Statements' notified by the Companies (Accounting Standards) Rules, 2006 read with Rule 7 to the Companies (Accounts) Rules 2014 in respect of Section 133 of the Companies Act, 2013.
- b) Goodwill on consolidation represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary Group's share in the net worth of a subsidiary, as per Indian Accounting Standard (Ind AS) 110 "Consolidated Financial Statements". For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital reserve on consolidation represents negative goodwill arising on consolidation. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.
- c) Minority interest in net profits or losses of consolidated subsidiaries for the year is identified and adjusted against the income or loss in order to arrive at the net income or loss attributable to the shareholders of the holding company. Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Holding company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of initial investments as stated above. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual / legal obligation on the minorities, the same is accounted for by the Holding Company.
- d) Financial statements are prepared using uniform policies for like transaction and other events in similar circumstances and are presented, to the extent possible, in the same manner as the group company's separate financial statements.

- e) Notes to the financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and / or a parent having no bearing on the true and fair view of the financial statements has not been disclosed in these financial statements.
- f) The gains / losses in respect of part dilution of stake in subsidiary companies pursuant to issue of additional shares to minority shareholders are recognized directly in capital reserve under Reserves and surplus in the Balance Sheet. The gains / losses in respect of part divestment of stake in subsidiary companies pursuant to sale of shares by the Holding Company are recognized in the Statement of Profit and Loss.

**iii Accounting Estimates**

The preparation of the financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

**Estimates and assumptions**

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. The group company based on 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 financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**Deferred tax assets**

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

**Defined benefit plans**

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

**Impairment of Receivables**

The impairment provisions of financial receivables based on the assumptions about risk of default and expected loss rates.

**Measurement of fair values**

The Group company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group company has an established control framework with respect to the measurement of fair values.

When measuring the fair value of an asset or a liability, the Group company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

**Note 2.2 Material Accounting Policies:****i Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognised in profit and loss.

On transition to Ind AS, the Group company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2016 of its Property, Plant and Equipment and use that carrying value as the deemed cost.

**ii Intangible Assets**

Costs relating to acquisition of trademarks are capitalised as "Intangible Assets"

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April 2016 of its Intangible Assets and used that carrying value as the deemed cost.

**iii Depreciation/ Amortisation**

Depreciation/ amortisation is provided:

**Tangible Assets:**

- No deprecation is charged on Freehold Land.
- Leasehold land have not been amortised being a perpetual in nature.
- Leasehold improvements are written off over the noncancellable period of lease
- Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, Plant & Equipment of the company has been provided as per the Written Down value method as per the useful lives of the respective Property, Plant & Equipment in the manner as prescribed by Schedule II of the Act..

**Intangible Assets:**

- Goodwill & Trade marks has been amortized over a period of five years.

The useful lives have been determined based on technical evaluation carried out by the management's expert, in order to reflect the actual usage of the assets. The asset's useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**iv Financial Instruments**

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

**a) Financial Assets****Initial Recognition**

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. 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.

**Subsequent Measurement**

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

**Financial Assets at Amortised Cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

**Financial Assets Measured at Fair Value**

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April 2016 of its equity investments in subsidiaries and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1st April 2016.

**Impairment of Financial Assets**

In accordance with Ind AS 109, the Group company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Group company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

**De-recognition of Financial Assets**

The Group company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Group company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**b) Equity Instruments and Financial Liabilities**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Group company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

## **Financial Liabilities**

### **1) Initial Recognition**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

### **2) Subsequent Measurement**

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

#### **Financial liabilities at FVPL**

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

#### **Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

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 as finance costs in the Statement of Profit and Loss.

### **3) De-recognition of Financial Liabilities**

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

### **c) Offsetting Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

## **v Inventories**

Inventories are valued as follows:

- a Finished Goods are valued at lower of cost or net realisable value\*.
- b Raw Materials are valued at lower of cost or net realisable value\*\*.
- c Packing Materials are valued at cost or net realizable value\*\*.
- d Stock in Trade is valued at lower of cost or net realisable value\*\*.

\* Cost is arrived at on comprises the cost of purchases, the cost of conversion and the cost of packing materials.

\*\* Cost is arrived at on weighted average cost method.

## **vi Employee Benefits**

### **a Defined Contribution Plan**

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

### **b Defined Benefit Plan**

The Group company also provides for gratuity which is a defined benefit plan, the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Group company's obligation into current and non-current is as per the actuarial valuation report.

**c Leave entitlement and compensated absences**

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

**d Short-term Benefits**

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

**vii Share - Based Compensation**

The company recognizes compensation expense relating to employees stock option plan in statement of profit and loss account in accordance with IND AS 102, Share - Based Payment. Accordingly, compensation expense as determined on the date of the grant is amortised over the vesting period. The Company follows fair value method to calculate the value of the stock options.

**viii Cash and Cash Equivalents**

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand, which are subject to an insignificant risk of changes in value.

**ix Borrowing Costs**

Borrowing costs consist of interest and other costs that the Group company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

**x Government Grant**

The Group company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received.

Government grants relating to the purchase of property, plant and equipment are treated as deferred income and are recognized in net profit in the statement of profit and loss on a systematic and rational basis over the useful life of the asset.

Government grants related to revenue are recognized on a systematic basis in net profit in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

When the Group company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

**xi Foreign Exchange Translation and Accounting of Foreign Exchange Transaction**

**a Initial Recognition**

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

**b Conversion**

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**c Treatment of Exchange Difference**

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Group company are recognised as income or expense in the Statement of Profit and Loss except those arising from investment in Non Integral operations.

**xii Revenue Recognition**

- a Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group company and that the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.
- b Revenue in respect of export sales is recognised on shipment of products.
- c Sales are recognised net of discounts, rebates and returns.
- d Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.
- e Dividend income is recognized when the company's right to receive dividend is established.
- f Claims for insurance are accounted on receipts/ on acceptance of claim by insurer.

**xiii Income Tax**

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

**a Current Income Tax**

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

**b Deferred Income Tax**

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

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

**xiv Impairment of Non-Financial Assets**

As at each Balance Sheet date, the Group company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Group company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.



**Notes to consolidated financial statements for the year ended 31 March 2024**

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

When the Group company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

**xv Trade receivables**

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

**xvi Trade payables**

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Group company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

**xvii Earnings Per Share**

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Holding company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Holding company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

**xviii Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects 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. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are disclosed in the financial statements.

**xix Operating Segment**

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM). The Holding company has identified its Managing Director as CODM which assesses the operational performance and position of the Holding company and makes strategic decisions.

**xx Cash Flows**

Cash flows are reported using the indirect method, where by net 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 from operating, investing and financing activities are segregated.

**xxi Leases****Group company as a lessee**

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**Group Company as a lessor**

Leases for which the Group company is a lessor is classified as a finance or operating lease. Whenever 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.

When the Group company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

**Note 2.3 Recent pronouncements:**

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

**Veto Switchgears And Cables Limited**  
**Notes to consolidated financial statements for the year ended 31st March, 2024**

**Note 3 : Property, Plant and Equipment**  
**Tangible assets**

(Rs. In Lakhs)

Particulars	Leasehold Land	Leasehold Improvements	Freehold Land	Office Building	Factory Building	Plant & Machinery	Office Equipments	Furniture & Fixtures	Computers	Vehicles	Total
<b>Gross carrying Amount</b>											
<b>Balance as at 31st March 2022</b>	<b>353.98</b>	<b>99.55</b>	<b>1,099.08</b>	<b>178.46</b>	<b>648.43</b>	<b>1,229.31</b>	<b>84.02</b>	<b>538.44</b>	<b>42.47</b>	<b>354.72</b>	<b>4,628.47</b>
Additions	-	-	-	-	-	34.81	11.62	3.38	5.26	53.25	108.33
Disposals	-	-	-	-	-	-	-	-	-	0.68	0.68
<b>Balance as at 31st March 2023</b>	<b>353.98</b>	<b>99.55</b>	<b>1,099.08</b>	<b>178.46</b>	<b>648.43</b>	<b>1,264.12</b>	<b>95.65</b>	<b>541.83</b>	<b>47.73</b>	<b>407.29</b>	<b>4,736.12</b>
Additions	-	-	-	-	-	37.41	1.58	1.44	4.03	283.47	327.93
Disposals	-	61.25	-	-	-	-	23.34	1.08	21.81	119.42	226.90
<b>Balance as at 31st March 2024</b>	<b>353.98</b>	<b>38.30</b>	<b>1,099.08</b>	<b>178.46</b>	<b>648.43</b>	<b>1,301.53</b>	<b>73.89</b>	<b>542.18</b>	<b>29.95</b>	<b>571.34</b>	<b>4,837.14</b>
<b>Accumulated depreciation</b>											
<b>Balance as at 31st March 2022</b>	<b>-</b>	<b>79.21</b>	<b>-</b>	<b>26.67</b>	<b>319.66</b>	<b>902.83</b>	<b>43.78</b>	<b>230.36</b>	<b>32.61</b>	<b>232.70</b>	<b>1,867.82</b>
Depreciation charge	-	10.61	-	7.39	23.95	45.34	7.06	66.62	4.15	34.18	199.32
Deletions / Adjustments	-	-	-	-	-	-	-	-	-	0.43	0.43
<b>Balance as at 31st March 2023</b>	<b>-</b>	<b>89.82</b>	<b>-</b>	<b>34.06</b>	<b>343.62</b>	<b>948.18</b>	<b>50.85</b>	<b>296.98</b>	<b>36.76</b>	<b>266.45</b>	<b>2,066.71</b>
Depreciation charge	-	-	-	7.03	19.06	46.83	8.64	55.22	6.17	57.34	200.28
Deletions / Adjustments	-	51.52	-	-	-	-	22.43	1.06	21.26	82.48	178.75
<b>Balance as at 31st March 2024</b>	<b>-</b>	<b>38.30</b>	<b>-</b>	<b>41.09</b>	<b>362.67</b>	<b>995.00</b>	<b>37.06</b>	<b>351.14</b>	<b>21.66</b>	<b>241.32</b>	<b>2,088.25</b>
<b>Net carrying value</b>											
Balance as at 31st March 2023	353.98	9.73	1,099.08	144.40	304.81	315.95	44.80	244.85	10.97	140.84	2,669.40
Balance as at 31st March 2024	353.98	0.00	1,099.08	137.37	285.76	306.53	36.83	191.04	8.29	330.02	2,748.89

**Note 4 : Capital work in progress**

Particulars	Total
<b>Gross carrying value</b>	
<b>Balance as at 31st March 2022</b>	<b>259.86</b>
Additions	392.56
Transfer to Fixed Assets	-
<b>Balance as at 31st March 2023</b>	<b>652.42</b>
Additions	291.98
Transfer to Fixed Assets	-
<b>Balance as at 31st March 2024</b>	<b>944.40</b>

**CWIP ageing schedule**

As at 31.03.2024

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress - _____	291.98	392.56	47.36	212.50	944.40
Projects temporarily suspended	NA	NA	NA	NA	NA

As at 31.03.2023

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress - _____	392.56	47.36	147.81	64.69	652.42
Projects temporarily suspended	NA	NA	NA	NA	NA

**Note 5 : Right of Use Assets**

Particulars	Office Premises
<b>Gross carrying value</b>	
<b>Balance as at 31st March 2022</b>	<b>284.19</b>
Additions	-
Disposals / Adjustments	82.67
<b>Balance as at 31st March 2023</b>	<b>201.53</b>
Additions	46.42
Disposals / Adjustments	47.87
<b>Balance as at 31st March 2024</b>	<b>200.08</b>
<b>Accumulated Amortization</b>	
<b>Balance as at 31st March 2022</b>	<b>159.66</b>
Amortisation charge for the year	56.80
Deletions / Adjustments	54.88
<b>Balance as at 31st March 2023</b>	<b>161.57</b>
Amortisation charge for the year	47.54
Deletions / Adjustments	47.87
<b>Balance as at 31st March 2024</b>	<b>161.24</b>
<b>Net carrying value</b>	
Balance as at 31st March 2023	39.95
Balance as at 31st March 2024	38.84

**Veto Switchgears And Cables Limited**  
Notes to consolidated financial statements for the year ended 31st March, 2024

(Rs. In Lakhs)

**Note 6 : Investment Property**

Particulars	Leasehold Land	Building	Total
<b>Gross carrying value</b>			
<b>Balance as at 31st March 2022</b>	<b>832.24</b>	<b>627.99</b>	<b>1,460.24</b>
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at 31st March 2023</b>	<b>832.24</b>	<b>627.99</b>	<b>1,460.24</b>
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at 31st March 2024</b>	<b>832.24</b>	<b>627.99</b>	<b>1,460.24</b>
<b>Accumulated depreciation</b>			
<b>Balance as at 31st March 2022</b>	-	93.85	<b>93.85</b>
Depreciation charge	-	26.01	26.01
<b>Balance as at 31st March 2023</b>	-	<b>119.86</b>	<b>119.86</b>
Depreciation charge	-	24.75	24.75
<b>Balance as at 31st March 2024</b>	-	<b>144.61</b>	<b>144.61</b>
<b>Net carrying value</b>			
Balance as at 31st March 2023	832.24	508.14	1,340.38
Balance as at 31st March 2024	832.24	483.39	1,315.63

i) Investment property represents the portion of Leasehold land and Building (Total constructed area 38,986 square feet) held at first floor and second floor, 1/2 Portion of third floor, 5th floor and roof floor, Plot no. 10, Airport Plaza , Durgapura ,Tonk Road, Jaipur for purpose to earn rental income and there is rent income of Rs. 102.44 lakh generated towards the investment property during year ended March 31, 2024.

ii) Fair value

Particulars	Valuation technique	As at March 31, 2024
Leasehold Land	Stamp duty reckoner rate	905.18
Building	Average market rate	499.02

**Estimation of fair value :**

The fair value of Leasehold Land as at March 31, 2024 is based on the ready reckoner rate prescribed by the Government of Rajasthan. The fair value measurement is categorised in level 2 fair value hierarchy.

The fair value of building as at March 31, 2024 is based on location and locality, facilities and amenities, quality of construction, residual life of building, business potential, supply and demand, local nearby enquiry. The fair value measurement is categorised in level 3 fair value hierarchy.

**Note 7 : Other Intangible assets**

Particulars	Goodwill (acquired separately)	Trade Mark	Total
<b>Gross carrying value</b>			
<b>Balance as at 31st March 2022</b>	5.40	1.12	6.52
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at 31st March 2023</b>	5.40	1.12	6.52
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at 31st March 2024</b>	5.40	1.12	6.52
<b>Accumulated amortisation</b>			
<b>Balance as at 31st March 2022</b>	5.40	1.12	6.52
Amortisation charge	-	-	-
Reversal on disposal of assets	-	-	-
<b>Balance as at 31st March 2023</b>	5.40	1.12	6.52
Amortisation charge	-	-	-
Reversal on disposal of assets	-	-	-
<b>Balance as at 31st March 2024</b>	5.40	1.12	6.52
<b>Net carrying value</b>			
Balance as at 31st March 2023	-	-	-
Balance as at 31st March 2024	-	-	-

**Note 8 : Goodwill on Consolidation**

Particulars	Goodwill (on consolidation)
<b>Gross carrying value</b>	
<b>Balance as at 31st March 2022</b>	0.11
Additions	-
Disposals	-
<b>Balance as at 31st March 2023</b>	0.11
Additions	-
Disposals	-
<b>Balance as at 31st March 2024</b>	0.11
<b>Accumulated amortisation</b>	
<b>Balance as at 31st March 2022</b>	-
Amortisation charge	-
Reversal on disposal of assets	-
<b>Balance as at 31st March 2023</b>	-
Amortisation charge	-
Reversal on disposal of assets	-
<b>Balance as at 31st March 2024</b>	-
<b>Net carrying value</b>	
Balance as at 31st March 2023	0.11
Balance as at 31st March 2024	0.11

**Note 9 : Investments**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Investments valued at cost, fully paid up, unquoted, unless otherwise stated (Non current)</b>		
<b>Investment in Equity Instruments</b>		
In other companies	0.76	0.76
<b>Total</b>	<b>0.76</b>	<b>0.76</b>

**Note 9.1 : Detailed list of non-current investments**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Investments valued at cost, fully paid up, unquoted, unless otherwise stated</b>		
<b>Investment in Equity Instruments</b>		
Veto Lightings Private Limited (5,100 Equity Shares of Rs.10 each fully paid up)	0.51	0.51
Saraswat Bank (2,500 Equity Shares of Rs.10 each fully paid up)	0.25	0.25
<b>Total</b>	<b>0.76</b>	<b>0.76</b>

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Aggregate of non-current investments:</b>		
Book value of investments	0.76	0.76
Investments carried at cost	0.76	0.76

**Note 10 : Other financial assets**

(Unsecured, Considered Good)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Fixed deposits (Maturity more than twelve months)*	13.31	46.92
Security Deposits	99.88	144.83
Receivable from Government Authority	48.44	77.73
<b>Total</b>	<b>161.62</b>	<b>269.48</b>

\*held as margin money

**Note 11 : Deferred tax asset (net)**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Deferred tax assets in relation to</b>		
Property plant and equipment	215.01	193.40
Employee Benefits	17.46	14.49
Other Provisions	156.73	131.97
Lease liability	10.95	-
Provision for doubtful	14.20	-
	<b>414.35</b>	<b>339.86</b>
<b>Deferred tax Liabilities in relation to</b>		
Right of use assets	8.77	-
	<b>8.77</b>	<b>-</b>
<b>Total Deferred Tax Asset (Net)</b>	<b>405.58</b>	<b>339.86</b>

**Note 12 : Income Tax Assets**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance tax and TDS Receivable (Net of Provision for Tax)	28.06	-
<b>Total</b>	<b>28.06</b>	<b>-</b>

**Note 13 : Other Non current assets**

(Unsecured Considered Good)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Advance*	16.21	6.20
<b>Total</b>	<b>16.21</b>	<b>6.20</b>

\* Refer note no. 43 (b)

**Note 14 : Inventories**

(valued at lower of cost or net realisable value)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Finished goods	4,374.29	3,676.80
Stock in trade	3,656.24	5,329.58
Raw materials	1,330.51	1,394.03
Packing materials	75.95	87.76
<b>Total</b>	<b>9,436.99</b>	<b>10,488.18</b>

**Note 15 : Trade receivables**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, Considered Good	13,913.59	14,117.36
Unsecured, considered doubtful	8.51	8.51
	<b>13,922.10</b>	<b>14,125.87</b>
Less : Provision for doubtful debts	8.51	8.51
Less :- Provision for Expected Credit Loss	614.21	524.36
<b>Total</b>	<b>13,299.38</b>	<b>13,593.00</b>

**Trade Receivables ageing schedule**

As at March 31, 2024

Particulars	Unbilled	Outstanding for following years					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good - from others	-	10,758.07	1,068.18	516.26	96.28	131.08	12,569.86
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	356.73	123.88	248.95	729.56
(iii) Undisputed Trade receivables - credit impaired	-	-	202.00	12.24	72.56	327.38	614.17
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	8.51	8.51
	-	<b>10,758.07</b>	<b>1,270.18</b>	<b>885.22</b>	<b>292.71</b>	<b>715.93</b>	<b>13,922.10</b>

As at March 31, 2023

Particulars	Unbilled	Outstanding for following years					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good - from others	-	11,172.82	1,567.23	233.00	7.60	0.28	12,980.93
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	169.20	192.26	250.61	612.06
(iii) Undisputed Trade receivables - credit impaired	-	-	42.22	113.46	79.04	289.64	524.36
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	8.51	8.51
	-	<b>11,172.82</b>	<b>1,609.46</b>	<b>515.65</b>	<b>278.90</b>	<b>549.03</b>	<b>14,125.87</b>

**Note 16 : Cash and cash equivalents**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks:		
-In current accounts	478.61	1,493.36
-In Cash credit accounts	253.75	-
Cash in hand	22.13	25.10
<b>Total</b>	<b>754.49</b>	<b>1,518.46</b>



**Note 17 : Bank Balance other than cash and cash equivalent**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unpaid Dividend**	3.63	6.41
Fixed Deposits with Banks (Maturity between three to twelve months)	35.59	-
<b>Total</b>	<b>39.21</b>	<b>6.41</b>

Note: The unpaid dividend includes Rs 1.44 lakhs, Rs.1.15 lakhs , Rs. 0.61 lakhs and 0.43 Lakh in relation to interim and/ or final dividends declared by the company for FY 2016-17, 2020-21,2021-22 and FY 2022-23 respectively against which claims have not been made. The amounts against the same have been set aside and deposited in separate scheduled bank accounts by the company in compliance with section 124 of the Companies Act 2013

**Note 18 : Other financial assets**

(Unsecured Considered Good)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Security deposits	69.73	-
Other receivable *	350.08	266.19
<b>Total</b>	<b>419.81</b>	<b>266.19</b>

\*Other receivables includes amount receivable against Rent income from a Private Limited Company in which Director and relative of the director have significant influence.

**Note 19 : Other Current Asset**

(Unsecured Considered Good)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance to Suppliers	297.62	215.15
Less :- Provision for Doubtful	55.93	72.80
	<b>241.69</b>	<b>142.35</b>
Balance with Government Authorities	365.48	500.22
Other Advances	360.63	235.64
Prepaid Expenses	34.69	36.03
Pre operative expense	-	4.33
Advance to employees	7.24	18.61
Less :- Provision for Doubtful	0.48	1.21
	<b>6.76</b>	<b>17.40</b>
<b>Total</b>	<b>1,009.25</b>	<b>935.96</b>

**Note 20 : Equity Share capital**

**a. Details of authorised, issued and subscribed share capital**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Authorised Capital</b>		
2,50,00,000 Equity shares of Rs.10/- each	2,500.00	2,500.00
	<b>2,500.00</b>	<b>2,500.00</b>
<b>Issued, subscribed and fully paid up Capital</b>		
1,91,14,955 Equity shares of Rs. 10/- each fully paid up	1,911.50	1,911.50
	<b>1,911.50</b>	<b>1,911.50</b>

**b. Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period**

(No. in lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	191.15	1,911.50	191.15	1,911.50
Issued during the year	-	-	-	-
Shares outstanding at the end of the year	191.15	1,911.50	191.15	1,911.50

**c. Terms/rights attached to equity shares**

The Holding company has one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

The Holding company declare and pays dividend in Indian Rupees. Each equity shareholder has the same right of dividend.

In the event of liquidation of the Holding company, the holders of equity shares will be entitled to receive remaining assets of the Holding company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

**d. Details of shareholders holding more than 5% shares in the company**

Name of the Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	% held	No. of shares	% held	No. of shares
Veto Electropowers (India) Private Limited	32.28%	61,70,704	37.30%	71,30,704

**e. Shares held by promoters at the end of the year**

Promoter's Name	As at 31st March, 2024		As at 31st March, 2023		% Change during the year*
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Veto Electropowers (India) Private Limited	61,70,704	32.28	71,30,704	37.30	(5.02)
Pushpa Devi Gurnani	2,84,744	1.49	2,84,744	1.49	-
Akshay Kumar Gurnani	6,88,722	3.60	6,88,722	3.60	-
Harish Kumar Gurnani	7,33,333	3.84	7,33,333	3.84	-
Kanishk Kishore Gurnani	4,11,985	2.16	4,11,985	2.16	-
Rohit Gurnani	2,32,985	1.22	2,32,985	1.22	-
Kishore Kumar Gurnani	55,000	0.29	55,000	0.29	-
Sitadevi Gurnani	15,000	0.08	15,000	0.08	-
Narain Das Gurnani	13,200	0.07	13,200	0.07	-
Mukesh Gurnani	6,600	0.03	6,600	0.03	-
	<b>86,12,273</b>	<b>45.06</b>	<b>95,72,273</b>	<b>50.08</b>	<b>(5.02)</b>

Promoter's Name	As at 31st March, 2023		As at 31st March, 2022		% Change during the year*
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Veto Electropowers (India) Private Limited	71,30,704	37.30	71,30,704	37.30	-
Pushpa Devi Gurnani	2,84,744	1.49	12,76,744	6.68	(5.19)
Akshay Kumar Gurnani	6,88,722	3.60	7,78,722	4.07	(0.47)
Harish Kumar Gurnani	7,33,333	3.84	7,33,333	3.84	-
Kanishk Kishore Gurnani	4,11,985	2.16	4,11,985	2.16	-
Rohit Gurnani	2,32,985	1.22	2,32,985	1.22	-
Kishore Kumar Gurnani	55,000	0.29	55,000	0.29	-
Sitadevi Gurnani	15,000	0.08	15,000	0.08	-
Narain Das Gurnani	13,200	0.07	13,200	0.07	-
Mukesh Gurnani	6,600	0.03	6,600	0.03	-
	<b>95,72,273</b>	<b>50.08</b>	<b>1,06,54,273</b>	<b>55.74</b>	<b>(5.66)</b>

**Note 21 : Other Equity**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Securities premium</b>		
Opening balance	2,424.33	2,424.33
Add:- Addition during the year	-	-
Closing balance	<b>2,424.33</b>	<b>2,424.33</b>
<b>Statutory Reserve</b>		
Opening balance	90.26	89.53
Add:- Addition during the year	0.65	0.73
Less :-Cessation of subsidiary	(90.91)	-
Closing balance	-	<b>90.26</b>
<b>Capital Reserve</b>		
Opening balance	1,912.50	1,912.50
Add:- Addition during the year	-	-
Closing balance	<b>1,912.50</b>	<b>1,912.50</b>
<b>Capital Reserve on Consolidation</b>		
Opening balance	114.79	114.79
Add:- Addition during the year	-	-
Closing balance	<b>114.79</b>	<b>114.79</b>
<b>Retained Earnings:</b>		
Opening balance	16,160.15	14,327.18
Add :- Profit/(Loss) for the year	1,795.20	2,024.85
Less :- Dividend paid	(191.15)	(191.15)
Less :- Transfer to statutory reserve	(0.65)	(0.73)
Add :-Cessation of subsidiary	445.01	-
Closing balance	<b>18,208.57</b>	<b>16,160.15</b>
<b>Other Comprehensive Income/(Loss)</b>		
<b>a. Foreign Currency Translation Reserve</b>		
Opening balance	626.15	439.96
Add :- Other Comprehensive Income	-	186.19
Less :- Other Comprehensive Loss	(160.04)	-
Less :-Cessation of subsidiary	(466.11)	-
Closing balance	-	<b>626.15</b>
<b>b. Re-measurement gains / (losses) on defined benefits plans</b>		
Opening balance	48.67	43.50
Add/ Less :- Other Comprehensive Income/(Loss)	4.95	5.17
Closing balance	<b>53.62</b>	<b>48.67</b>
<b>Total</b>	<b>22,713.81</b>	<b>21,376.85</b>

**Note 22 : Borrowings**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Secured</b>		
Working Capital Term Loan (under ECLGS)	-	1,000.00
Working Capital Term Loan from Bank	1,000.00	-
Less: Current maturities of long term debt	1,000.00	-
	-	<b>1,000.00</b>
Hire purchase loans from banks	269.01	75.42
Less: Current maturities of long term debt	59.26	28.45
	<b>209.76</b>	<b>46.98</b>
<b>Total</b>	<b>209.76</b>	<b>1,046.98</b>

**Additional information pursuant to long term borrowings :**

A) Nil (PY 1,000.00 Lakh) Working Capital Term loan (total sanction limit of Rs. 1,000.00 lakhs) from Indian Overseas Bank under Emergency Credit Line Guarantee Scheme, 100% guaranteed by National Credit Guarantee Trustee Company and secured by second charge with the existing credit facilities in terms of cash flows and security carries Interest of base rate + 1% p.a. The said loan is repayable in 36 monthly instalments of Rs. 27.78 lakhs with an initial holiday period of 24 months from the date of first disbursement. Interest to be served as and when debited including holiday period. The same has been fully repaid during the year.

**Veto Switchgears and Cables Limited**  
**Notes to consolidation financial statements for the year ended 31st March, 2024**

(Rs. In Lakhs)

B) 1,000.00 lakh (PY Nil) Working Capital Term loan (total sanction limit of Rs. 1000.00 lakhs) from HDFC Bank under term Loan, and secured by charge with the existing credit facilities in terms of cash flows and security carries Interest of 3 Month T bill + 1.63% p.a. (3 month T bill is 6.87% as on 3rd May 2023).The said loan is repayable in 35 monthly instalments of Rs. 31.56 lakhs with an initial holiday period of 9 months from the date of first disbursement. Interest to be served as and when debited including holiday period. The same term loan has been fully repaid on 18th May 2024.

b) Hire Purchase Loans are secured by hypothecation of respective vehicle financed. The loans carries interest @ 8.50% to 10% p.a. The loan is repayable in 36 to 60 equal monthly instalments

**Note 23 : Lease liabilities**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease liabilities (Refer note 48 )	22.27	35.94
	<b>22.27</b>	<b>35.94</b>

**Note 24 : Other financial liabilities**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade deposits	405.63	420.62
	<b>405.63</b>	<b>420.62</b>

**Note 25 : Provisions**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Non Current</b>		
Provision for Replacement	203.75	163.94
Provision for Gratuity	52.54	41.24
	<b>256.29</b>	<b>205.19</b>

**Note 26 : Borrowings**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Secured</b>		
Working Capital Loan from Bank	787.88	3,064.94
Current maturities of loan term debt	1,059.26	28.45
<b>Unsecured</b>		
Loan from others	150.92	151.92
<b>Total</b>	<b>1,998.06</b>	<b>3,245.32</b>

**Additional information pursuant to secured short term borrowing :**

A) Nil ( PY 1664.94 Lakh) Working Capital Loan from Indian Overseas Bank carries interest rate of base rate + 1.75% p.a. The loan is secured by way of 1st charge on entire current assets of the Company and collateral security of factory land and building of the Company, land and building of M/s. vimal Power Cables Private Limited, hypothecation of fixed assets (excluding land and building and vehicles) of the Company, personal guarantee of two director and two promoters and corporate guarantee of Vimal Power cables Private Limited and Veto Electropowers (India) Private Limited .

B) Nil ( PY 1400.94 Lakh) Working Capital loan from Kotak mahindra bank carries Interest rate of Repo rate + 4.25% Quarterly. The loan is secured by way of 1st charge on entire current assets of the Company and collateral security of 1st charge and exclusive equitable mortgage charge on residential land & building at South Portion of Plot No. C-57 (erstwhile P.No. 28-G), Saket Colony (erstwhile Fateh Teeba Industrial Area), Adarsh Nagar, Jaipur, owned by Mr. Babu Lal Gurnani.and First and exclusive equitable mortgage charge on residential land & building at North portion of Plot No - C-57 (erstwhile P.No. 28-G), Saket Colony (erstwhile Fateh Teeba Industrial Area), Adarsh Nagar, Jaipur, owned by Mukesh Gurnani.

C) 787.88 Lakh ( PY Nil ) Working Capital loan from ICICI bank carries Interest rate of Repo rate + 3 % Monthly. The loan is secured by way of 1st charge on entire current assets of the Company and collateral security of 1st charge and exclusive equitable mortgage charge on residential land & building at South Portion of Plot No. C-57 (erstwhile P.No. 28-G), Saket Colony (erstwhile Fateh Teeba Industrial Area), Adarsh Nagar, Jaipur, owned by Mr. Babu Lal Gurnani.and First and exclusive equitable mortgage charge on residential land & building at North portion of Plot No - C-57 (erstwhile P.No. 28-G), Saket Colony (erstwhile Fateh Teeba Industrial Area), Adarsh Nagar, Jaipur, owned by Mukesh Gurnani.and First and exclusive equitable mortgage charge on Gala at 72 & 74 Meghdoot Signature,, Gala No 4 &5, Ground Floor, Vasai Road , Plot No 22,Thane,Maharashtra,401208, India owned by Vankon Modular Private Limited. and First and exclusive equitable mortgage charge on land & building at Plot 7, Palghar ,Village Waliv, Survey Number 62 2P and 62 3P,Vasai,Maharashtra, India,401028 owned by Veto led Lightings Private limited and First and exclusive equitable mortgage charge on residential land & building at A -2,C-61,Pallacia, C Scheme, Ashok Nagar,Prithviraj Road,Near Statue Circle,Jaipur,Rajasthan, India,302001

The quarterly returns filed by the Holding company to HDFC Bank were in agreement with the books of accounts.

**Note 27 : Trade payables**

Particulars	As at 31st March, 2024	As at 31st March, 2023
- Total outstanding dues of Micro Enterprises and Small Enterprises.	570.20	1,190.97
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,858.86	1,820.90
<b>Total</b>	<b>2,429.06</b>	<b>3,011.87</b>

The Group company has amounts due to micro and small suppliers registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act), as at 31 March 2024.

The disclosure pursuant to the said Act is as under:

Particulars	As at 31st March, 2024	As at 31st March, 2023
The principal amount remaining unpaid to any supplier as at the end of accounting year;	570.20	1,190.97
The interest due and remaining unpaid to any supplier as at the end of accounting year;	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	-	-
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

**Trade payable ageing schedule**

**As at March 31, 2024**

Particulars	Not Due	Outstanding for the following periods from due date of payments				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>a) Undisputed trade payables</b>						
(i) MSME	4.25	560.68	5.27	-	-	570.20
(ii) Others	303.29	1,278.56	177.32	36.26	63.42	1,858.86
<b>b) Disputed trade payables</b>						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
	<b>307.54</b>	<b>1,839.25</b>	<b>182.60</b>	<b>36.26</b>	<b>63.42</b>	<b>2,429.06</b>

**As at March 31, 2023**

Particulars	Not due	Outstanding for the following periods from due date of payments				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>a) Undisputed trade payables</b>						
(i) MSME	4.25	1,186.72	-	-	-	1,190.97
(ii) Others	470.25	1,009.90	208.08	92.51	40.15	1,820.90
<b>b) Disputed trade payables</b>						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
	<b>474.50</b>	<b>2,196.62</b>	<b>208.08</b>	<b>92.51</b>	<b>40.15</b>	<b>3,011.87</b>

**Note 28 : Lease liabilities**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease Liabilities (Refer note 48)	26.01	10.60
<b>Total</b>	<b>26.01</b>	<b>10.60</b>

**Note 29 : Other financial liabilities**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Payable to employee	111.40	100.91
Statutory dues payable	193.93	224.37
Unpaid Dividend (refer Note below)	3.63	6.41
<b>Total</b>	<b>308.96</b>	<b>331.70</b>

Note: The unpaid dividend includes Rs 1.44 lakhs, Rs.1.15 lakhs, Rs. 0.61 lakhs and 0.43 Lakh in relation to interim and/ or final dividends declared by the company for FY 2016-17, 2020-21, 2021-22 and FY 2022-23 respectively against which claims have not been made. The amounts against the same have been set aside and deposited in separate scheduled bank accounts by the company in compliance with section 124 of the Companies Act 2013.

**Note 30 : Other current liabilities**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Other Payable	91.29	206.14
Deferred Revenue	67.95	82.61
<b>Total</b>	<b>159.24</b>	<b>288.75</b>

A provision is recognised for expected warranty claims on products sold during the years, based on past experience of the level of repairs and returns. Assumptions used to calculate the provisions for warranties were based on current sales levels and current information available about returns based warranty period for all products sold. The table below gives information about movement in warranty provisions.

**Note 31 : Provisions**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for Gratuity	16.83	16.31
<b>Total</b>	<b>16.83</b>	<b>16.31</b>

**Note 32 : Income tax liabilities (net)**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for taxation (Net of advance tax & TDS)	61.62	136.05
<b>Total</b>	<b>61.62</b>	<b>136.05</b>

**(a) Income Tax Expense**

Particulars	FY 2023-24	FY 2022-23
<b>Current tax expense (A)</b>		
Current year	1,087.63	912.80
Short/(Excess) provision of earlier years	45.67	134.21
	1,133.29	1,047.01
<b>Deferred tax expense (B)</b>		
Origination and reversal of temporary differences	(64.42)	(50.83)
<b>Tax expense recognised in the income statement (A+B)</b>	<b>1,068.88</b>	<b>996.18</b>

**(b) Amounts recognised in other comprehensive income**

Particulars	FY 2023-24			FY 2022-23		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	6.66	(1.71)	4.95	6.95	(1.78)	5.17
	6.66	(1.71)	4.95	6.95	(1.78)	5.17

**(c) Reconciliation of effective tax rate**

Particulars	FY 2023-24	FY 2022-23
Profit before tax	2,875.19	3,041.53
Tax using the Company's domestic tax rate (25.17%)	723.63	765.49
<b>Tax effect of :</b>		
Tax effect on non-deductible expenses	10.28	10.30
Tax effect of Dividend income (Income from Group Co.)	365.26	208.40
Tax effect of deductions	(55.84)	(54.36)
Tax of earlier year	45.67	134.21
Others	(20.12)	(67.87)
	<b>1,068.88</b>	<b>996.17</b>
<b>Tax expense as per Statement of Profit &amp; Loss</b>	<b>1,068.88</b>	<b>996.18</b>
Effective tax rate	37.176%	32.752%

**Note 33 : Revenue from operation**

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>Revenue from operations</b>		
Sale of Products *	30,008.61	29,006.79
<b>Other Operating Revenue</b>		
Scrap Sale	0.83	12.84
<b>Total</b>	<b>30,009.43</b>	<b>29,019.62</b>

**\* Details of Products Sold**

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>Finished Goods</b>		
Accessories & Others	8,618.54	9,449.35
Wire & Cables	7,274.97	7,553.53
	<b>15,893.50</b>	<b>17,002.88</b>
<b>Traded Goods</b>		
Accessories & Others	1,297.11	913.69
Wire & Cables	3,480.78	886.30
Lighting & Fittings	9,338.03	10,203.91
	<b>14,115.92</b>	<b>12,003.91</b>
	<b>30,009.43</b>	<b>29,006.79</b>

**Timing of revenue recognition**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Goods transferred over point of time	30,009.43	29,019.62
	<b>30,009.43</b>	<b>29,019.62</b>

**Contract balances**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade receivables	13,299.38	13,593.00
	<b>13,299.38</b>	<b>13,593.00</b>

**Note 34 : Other income**

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Interest Income	80.24	121.50
Profit on sale of fixed assets	1.07	0.15
Gain on Foreign Exchange Fluctuations (Net)	273.32	91.07
Rent received on Investment Property	102.44	90.11
Miscellaneous Income	16.25	228.64
<b>Total</b>	<b>473.32</b>	<b>531.46</b>

**Note 35 : Cost of materials consumed**

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Opening stock	1,394.03	1,773.40
Add : Purchases	11,072.82	10,544.69
Less : Closing stocks	1,330.51	1,394.03
	<b>11,136.34</b>	<b>10,924.06</b>
Packing material consumed	320.29	368.59
<b>Total</b>	<b>11,456.63</b>	<b>11,292.65</b>

\* Purchases are stated net of discounts and rate difference.

**Details of Material Consumed**

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Copper	4,701.19	4,508.70
Alluminium	273.84	270.98
PVC Compound	529.14	834.55
Others	5,952.46	5,678.42
	<b>11,456.63</b>	<b>11,292.65</b>

**Details of Inventory**

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Copper	311.37	188.16
Alluminium	212.68	191.43
PVC Compound	172.72	160.76
Others	638.75	853.69
	<b>1,335.51</b>	<b>1,394.03</b>

**Note 36 : Purchases of stock-in-trade**

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Purchase of stock in trade	9,938.77	8,746.97
<b>Total</b>	<b>9,938.77</b>	<b>8,746.97</b>

**Note 37 : Changes in inventories of finished goods and stock in trade**

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>Finished goods</b>		
Opening stock		
- Accessories & Others	2,905.24	1,619.88
- Wires & Cables	771.56	717.94
	3,676.80	2,337.83
Closing stock		
- Accessories & Others	3,247.42	2,905.24
- Wires & Cables	1,126.86	771.56
	4,374.29	3,676.80
<b>Changes in inventories of finished goods (A)</b>	<b>(697.48)</b>	<b>(1,338.97)</b>
<b>Stock in trade</b>		
Opening stock		
- Accessories & Others	1,467.33	3,321.02
- Wires & Cables	216.05	797.31
- Lighting & Fittings	3,678.86	4,000.14
	5,362.24	8,118.46
Closing stock		
- Accessories & Others	259.00	1,467.33
- Wires & Cables	391.50	216.05
- Lighting & Fittings	3,005.75	3,678.86
	3,656.24	5,362.24
<b>Total Changes in inventories of stock in trade (B)</b>	<b>1,706.00</b>	<b>2,756.22</b>
<b>Total (A+B)</b>	<b>1,008.52</b>	<b>1,417.24</b>

**Note 38 : Employee benefits expense**

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Salary, wages and other allowances	1,559.31	1,624.44
Directors Remuneration	125.25	123.00
Provision for Leave encashment	0.71	-
Provision for Gratuity	19.98	19.37
Contribution to provident fund and other funds	61.48	66.21
Staff welfare expenses	54.39	53.43
<b>Total</b>	<b>1,821.11</b>	<b>1,886.45</b>

**Note 39 : Finance costs**

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>Interest expense to:</b>		
Banks	310.93	392.94
Others	43.80	47.90
Leasing Arrangements as per IND AS 116	5.49	5.36
Other Borrowing Cost	54.24	32.04
<b>Total</b>	<b>414.46</b>	<b>478.24</b>

**Note 40 : Depreciation and amortisation expense**

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Depreciation on tangible assets	200.28	199.32
Amortisation on Right of Use assets	47.54	56.80
Depreciation on Investment Property	24.75	26.01
<b>Total</b>	<b>272.57</b>	<b>282.13</b>



**Note 41 : Other expenses**

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>Manufacturing expenses</b>		
Consumption of :		
- Consumable & stores	0.93	0.04
- Power & fuel	34.47	57.61
Job Charges	174.31	66.00
Repairs & Maintenance :		
- Plant & machinery	44.63	13.23
- Factory building	0.25	0.31
Freight & transportation	5.96	1.84
Other factory expenses	36.53	42.04
	<b>297.07</b>	<b>181.06</b>
<b>Administration, Selling and Distribution expenses</b>		
Rent (Refer note no. 48)	142.53	162.50
Insurance	40.88	19.78
Rates & taxes	2.03	5.81
Repairs & maintenance	30.26	35.58
Legal and professional fees	106.76	93.03
Auditor's remuneration *	5.98	8.83
Travelling & conveyance	410.21	394.82
Communication costs	10.55	12.94
Printing & stationery	34.77	29.36
Water & electricity charges	75.90	55.92
Commision	321.36	284.51
Advertising & sales promotion	260.82	347.85
Transportation, freight & handling charges	563.47	535.26
Expendture on CSR activities	61.54	30.69
Provision for expected credit loss	89.85	72.34
Provision for replacement	15.63	-
Miscellaneous expenses	225.89	135.59
<b>Total</b>	<b>2,695.50</b>	<b>2,405.87</b>

**\* Payment to Auditor includes**

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Audit fees	5.15	5.05
Others	0.82	3.78
	<b>5.98</b>	<b>8.83</b>

**Note 42 : Earnings per equity share**

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
i) Weighted average number of Equity Share of Rs. 10 each		
a) Number of shares at the beginning of the year (In Lakhs)	191.15	191.15
b) Number of shares at the end of the period ( In Lakhs)	191.15	191.15
c) Weighted average number of Share outstanding during the year ( In Lakhs)	191.15	191.15
ii) Net profit after tax available for equity shareholders	1,806.31	2,045.35
iii) Basic Earnings per Share	9.45	10.70
iv) Dilutive Earnings per Share	9.45	10.70

**Note 43 : Contingent liabilities disclosures as required under Indian Accounting Standard 37, "Provisions,Contingent Liabilities and Contingent Assets" are given below:**

**(a) Contingent Liabilities**

(Rs. In Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>i) Guarantees</b>		
Bank Guarantee	3.47	3.47
<b>ii) Disputed demands- Income- Tax</b>		
Disputed demands in respect of Income- Tax	269.42	121.16
	<b>272.89</b>	<b>124.63</b>

**b) Commitments :-**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Estimated amount of contracts remaining to be executed on capital account for property, plant & equipment (net of advances)	120.00	-
	120.00	-

**Note 44 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'**

**A - Defined benefit obligations - Gratuity (Funded)**

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

I) Assumptions :

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

**a) Financial Assumptions**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Expected rate of future salary increase	7.00%	7.00%
Discount Rate	7.20%	7.40%
Attrition Rate	20% at younger ages reducing to 1% at older ages	20% at younger ages reducing to 1% at older ages
Normal retirement age (in years)	58 Years	58 Years

**b) Demographic Assumptions**

Mortality in service : Indian Assured Lives Mortality (2012-14) Table

II) Table showing change in present value of defined benefit obligation:

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Present value of obligation as at the beginning of the year:	82.43	98.25
Interest cost	5.81	6.45
Current service cost	16.32	16.78
Benefits paid	(2.73)	(29.62)
Actuarial (Gain) / loss on obligation - due to change in Domestic assumptions	-	-
Actuarial (Gain) / loss on obligation - due to change in financial assumptions	1.22	(3.15)
Actuarial (Gain) / loss on obligation - due to experience	(8.17)	(6.27)
Closing Present value of obligation as at the end of the year	94.88	82.43

III) Changes in Plan Assets

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Opening value of plan assets	24.88	52.34
Interest Income	2.16	3.86
Return on plan assets excluding amounts included in interest income	(0.29)	(2.47)
Contributions by employer	-	2.45
Benefits paid	(1.23)	(31.31)
Closing value of plan assets	25.51	24.88

III) Amount recognized in the Balance Sheet:

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Present value of obligation as at the end of the year	(94.88)	(82.43)
Fair Value of plan assets as at the end of the year	25.51	24.88
Funded status	(69.37)	(57.56)
Net Assets/ (Liability) recognized in the Balance Sheet	(69.37)	(57.56)

IV) Expenses recognized in the Statement of Profit and Loss

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Current Service Cost	16.32	16.78
Interest Cost	3.66	2.59
Total Expenses recognized in the Profit and Loss account	19.98	19.37

V) Expenses recognized in the Other Comprehensive Income (OCI)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Actuarial (Gain) / loss on obligation - due to change in financial assumptions	1.22	(3.15)
Actuarial (Gain) / loss on obligation - due to experience	(8.17)	(6.27)
Return on Plan Assets, excluding amount included in interest income	0.29	2.47
Net (Income) / Expense for the period recognised in OCI	(6.66)	(6.95)

VI) Balance Sheet Reconciliation:

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Opening Net Liability	57.56	45.90
Expenses recognized in Statement of Profit & Loss	19.98	19.37
Expenses recognized in OCI	(6.66)	(6.95)
(Benefit directly paid by the employer)	(1.50)	1.69
Employer's Contribution	-	(2.45)
Net Liability Recognised in the Balance Sheet	69.37	57.56

VII) Maturity Analysis of the Benefit Payments : From the Employer:

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Projected benefits payable in future years from the date of reporting</b>		
1st Following Year	16.35	7.82
2nd Following Year	7.69	7.35
3rd Following Year	16.96	7.03
4th Following Year	9.27	15.83
5th Following Year	7.98	8.57
Sum of Years 6 To 10	32.14	31.48

VIII) Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

Particulars	As at 31st March, 2024	As at 31st March, 2023
<u>Change in Rate of Discounting</u>		
Increase by of +0.5%	91.90	79.48
% Change	-3.15%	-3.58%
Decrease by of +0.5%	98.07	85.59
% Change	3.36%	3.83%
<u>Change in Rate of Salary Increase</u>		
Increase by of +0.5%	97.87	85.51
% Change	3.15%	3.73%
Decrease by of +0.5%	92.05	79.54
% Change	-2.98%	-3.51%
<u>Change in Rate of Employee Turnover</u>		
Increase by of +10%	94.82	82.15
% Change	-0.07%	-0.34%
Decrease by of +10%	94.91	82.69
% Change	0.03%	0.31%

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

**[B] Current/ non-current classification**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Gratuity		
Current	16.83	16.32
Non-current	52.54	41.23
	69.37	57.56

**Note 45 : Segmental Reporting :**

**Identification of Segments:**

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

**Operating Segments**

- (a) Wire and Cables
- (b) Lighting & Fittings
- (c) Accessories & Others

**Segment revenue and results:**

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

**Segment assets and Liabilities:**

Segment assets include all operating assets used by the operating segment and mainly consist of inventory. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

(a) Summary of segment Information as at and for the year ended 31st March, 2024 and 31st March, 2023 is as follows:

(Rs. In Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>A. Segment Revenue</b>		
Wire & Cables	8,275.03	8,504.07
Lighting & Fittings	15,231.03	15,477.92
Accessories & Others	6,503.37	5,037.63
<b>Total Revenue</b>	<b>30,009.43</b>	<b>29,019.62</b>
<b>B. Segment Results</b>		
Wire & Cables	1,783.49	1,931.58
Lighting & Fittings	3,826.57	4,262.62
Accessories & Others	1,490.99	1,290.19
	<b>7,101.05</b>	<b>7,484.39</b>
Less : Unallocable Expenses	4,012.15	4,213.94
Less : Depreciation	272.57	282.13
<b>Operating Profit</b>	<b>2,816.33</b>	<b>2,988.31</b>
Less : Finance Cost	414.46	478.24
Add : Other Income	473.32	531.46
<b>Profit Before Tax &amp; Exceptional Items</b>	<b>2,875.19</b>	<b>3,041.53</b>
Less : Exceptional Expenses	-	-
<b>Profit Before Tax</b>	<b>2,875.19</b>	<b>3,041.53</b>
Less : Tax expense (Net)	1,068.88	996.18
<b>Profit After Tax</b>	<b>1,806.31</b>	<b>2,045.35</b>

Particulars	As At 31st March, 2024	As At 31st March, 2023
<b>C. Segments Assets</b>		
Wire & Cables	2,246.96	1,527.96
Lighting & Fittings	8,600.80	9,613.31
Accessories & Others	3,767.41	4,920.64
Unallocated	16,004.07	16,064.85
<b>Total</b>	<b>30,619.23</b>	<b>32,126.76</b>
<b>D. Segments Liabilities</b>		
Wire & Cables	209.31	184.29
Lighting & Fittings	1,643.51	1,766.71
Accessories & Others	455.57	385.10
Unallocated	3,585.35	6,413.21
<b>Total</b>	<b>5,893.73</b>	<b>8,749.32</b>

**Note 46 : Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:**

a) Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships where all parties are disclosed)

Nature of relationship	Nature of the party
<b>(i) Key Managerial Personnel</b>	
Managing Director & Chief Executive Officer	Akshay Gurnani
Whole time Director & Chief Financial Officer	Naraindas Gurnani
Director	Jyoti Gurnani
Company Secretary Cum Compliance Officer (Up to 31 January 2024)	Varsha Raneer Choudhary
Company Secretary Cum Compliance Officer (w.e.f 01st February 2024)	Kritika Todwal
<b>(ii) Relative of Director</b>	Pushpa Devi Gurnani
	Dinesh Gurnani
<b>(iii) Entity of which the company is an associate</b>	Veto Electropower (India) Private Limited
<b>(iv) Enterprises owned or significantly influenced by KMP and / or their relatives</b>	Vimal Power Cables Private Limited
	Kripa Realmart Private Limited
	V1 Infradevelopers Private Limited
	Tulsi Palace Resort Private Limited
	Anjali Packaging
	Gurnani Inn Private Limited
	Pink Square Infra Developers Private Limited
	Gurnani Infra Developers Private Limited
	Gurnani Hotels Private Limited
	Veto Polymers and Metals (Partnership Firm)
	Pink Square Real Estate Private Limited
	Jai Electricals (Partnership Firm)

b) Transactions carried out with related parties referred to above, in ordinary course of business and balances outstanding:

Name of Party	Nature of Transaction	Year ended March 31, 2024	Year ended March 31, 2023
Akshay Gurnani	Remuneration	36.00	36.00
	Sales (Net)	0.02	0.02
	Reimbursement of Travelling expenses	-	5.41
Naraindas Gurnani	Remuneration	12.00	12.00
Jyoti Gurnani	Remuneration	6.00	6.00
Varsha Raneer Choudhary	Salary paid	3.28	3.43
Kritika Todwal	Salary paid	0.67	-
Pushpa Devi Gurnani	Salary paid	6.00	6.00
Dinesh Gurnani	Sales (Net)	2.12	0.11
Veto Electropower (India) Private Limited	Rent Expense	1.44	1.44
Vimal Power Cables Private Limited	Rent Expense	3.00	3.31
Kripa Realmart Private Limited	Rent Expense	6.60	6.60
V1 Infradevelopers Private Limited	Rent Income	96.00	84.00
	Sales (Net)	0.42	1.63
Tulsi Palace Resort Private Limited	Sales (Net)	0.08	36.37
Anjali Packaging	Purchase of Packing Material	0.75	0.50
Pink Square Infra Developers Private Limited	Rent Expense	1.20	1.20
Gurnani Infra Developers Private Limited	Rent Expense	1.26	1.31
	Sales (Net)	0.10	-
Gurnani Hotels Private Limited	Sales (Net)	2.83	2.90
Pink Square Real Estate Private Limited	Sales (Net)	0.30	0.82
Jai Electricals	Sales (Net)	9.63	7.09

c.) Balance Outstanding of Related Parties :

Name of Party	Receivable / Payable	As At 31st March, 2024	As At 31st March, 2023
Akshay Gurnani	Remuneration Payable	0.50	2.00
Naraindas Gurnani	Remuneration Payable	0.50	0.65
Jyoti Gurnani	Remuneration Payable	0.44	0.44
Varsha Raneer Choudhary	Salary Payable	-	0.46
Pushpa Devi Gurnani	Salary Payable	0.46	0.46
Dinesh Gurnani	Trade receivable	2.81	0.30
Veto Electropower (India) Private Limited	Rent payable	9.93	7.96
Vimal Power Cables Private Limited	Rent payable	-	6.48
	Trade payable	-	9.06
V1 Infradevelopers Private Limited	Other Receivable (Rent receivable)	350.08	266.19
	Trade Receivable	1.70	1.19
Tulsi Palace Resort Private Limited	Trade Receivables	0.07	-
Anjali Packaging	Trade payable	0.20	0.21
Gurnani Inn Private Limited	Advance taken	0.22	0.22
Veto Polymers and Metals	Trade receivable	0.19	0.19
Gurnani Infra Developers Private Limited	Other payable	0.02	-
Gurnani Hotels Private Limited	Trade Receivable	0.28	0.62
Pink Square Real Estate Private Limited	Trade Receivable	0.15	-
Jai Electricals	Trade Receivable	12.95	11.02

The above figures of remuneration and salary does not include provisions for gratuity as the same is determined at the company level and is not possible to determine for select individuals.

**Note 47 : Expenditure on Corporate Social Responsibility Activities**

As per provisions of section 135 of the Companies Act, 2013, the Holding company has to incur at least 2% of average net profits of the preceding three financial years towards

Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act,2013.

**Details of CSR Expenditure:**

Particulars	As at 31st March 2024	As at 31st March 2023
Unspent / (Excess) Amount at the beginning of the year	(0.07)	(20.02)
Gross amount required to be spent by the holding company during the year	56.20	45.95
Amount spent during the year	61.54	26.00
Unspent / (Excess) Amount at the end of the year	(5.41)	(0.07)
Reason for shortfall	NA	NA
Nature of CSR Activities*	Refer Note below	Refer Note below
a) Construction / acquisition of any assets	-	-
b) On purpose other than a) above	61.54	26.00

Nature of CSR activities are majorly into promoting education, healthcare and empowerment of socially backward.

**Note 48: Leases**

Following are the changes in the carrying value of right of use assets :

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening balance	39.94	124.53
Addition during the year	46.42	-
Deletion during the year	-	27.79
Depreciation during the year	47.54	56.80
<b>Closing balance</b>	<b>38.83</b>	<b>39.94</b>

The following is the break-up of current and non-current lease liabilities :

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current lease liabilities	26.01	10.60
Non-Current lease liabilities	22.27	35.94
	<b>48.28</b>	<b>46.54</b>

The following is the movement in lease liabilities:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening balance	46.54	123.28
Add :- Addition during the year	46.42	-
Add :-Finance cost accrued during the year	5.49	5.36
Less:-Deletion during the year	0.00	27.79
Less:- Payment of lease liabilities	50.17	54.32
<b>Closing balance</b>	<b>48.28</b>	<b>46.54</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis :

Particulars	As at 31st March, 2024	As at 31st March, 2023
- Less than one year	22.35	33.63
- Later than one year but not later than five years	26.01	15.78
- Later than five years	-	-

Rental expense recorded for short-term leases was Rs. 142.53 lakhs (PY 162.50 lakhs)

**Note 49 : Financial instruments – Fair values and risk management**

The fair value of the financial assets are included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

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

- (a) Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments  
(b) Financial instruments with fixed and variable interest rates are evaluated by the Group company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

**A. Accounting classification and fair values**

The carrying value and fair value of financial instruments by categories as at 31st March 2024 were as follows:

Particulars	Non Current	Current	Total	Financial assets/ liabilities at fair value through profit or loss				Financial assets/ liabilities at fair value through OCI				Amortised cost	Total
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
<b>Financial assets</b>													
Trade receivables	-	13,299.38	13,299.38	-	-	-	-	-	-	-	-	13,299.38	13,299.38
Investment	0.76	-	0.76	-	-	-	-	-	-	-	-	0.76	0.76
Cash and Cash Equivalents	-	754.49	754.49	-	-	-	-	-	-	-	-	754.49	754.49
Bank Balances other than Cash and Cash Equivalents	-	39.21	39.21	-	-	-	-	-	-	-	-	39.21	39.21
Other Financial Assets (Current & Non-current)	161.62	419.81	581.44	-	-	-	-	-	-	-	-	581.44	581.44
<b>Financial liabilities</b>													
Borrowings (Current & Non-current)	209.76	1,998.06	2,207.82	-	-	-	-	-	-	-	-	2,207.82	2,207.82
Lease liabilities	22.27	26.01	48.28	-	-	-	-	-	-	-	-	48.28	48.28
Trade payables	-	2,429.06	2,429.06	-	-	-	-	-	-	-	-	2,429.06	2,429.06
Other Financial Liabilities (Current & Non-current)	405.63	308.96	714.59	-	-	-	-	-	-	-	-	714.59	714.59

The carrying value and fair value of financial instruments by categories as at 31st March 2023 were as follows:

Particulars	Non-Current	Current	Total	Financial assets/ liabilities at fair value through profit or loss				Financial assets/ liabilities at fair value through OCI				Amortised cost	Total
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
<b>Financial assets</b>													
Trade receivables	-	13,593.00	13,593.00	-	-	-	-	-	-	-	-	13,593.00	13,593.00
Investments	0.76	-	0.76	-	-	-	-	-	-	-	-	0.76	0.76
Cash and Cash Equivalents	-	1,518.46	1,518.46	-	-	-	-	-	-	-	-	1,518.46	1,518.46
Bank Balances other than Cash and Cash Equivalents	-	6.41	6.41	-	-	-	-	-	-	-	-	6.41	6.41
Other Financial Assets (Current & Non-current)	269.48	266.19	535.67	-	-	-	-	-	-	-	-	535.67	535.67
<b>Financial liabilities</b>													
Borrowings (Current & Non-current)	1,046.98	3,245.32	4,292.29	-	-	-	-	-	-	-	-	4,292.29	4,292.29
Lease liabilities	35.94	10.60	46.54	-	-	-	-	-	-	-	-	46.54	46.54
Trade payables	-	3,011.87	3,011.87	-	-	-	-	-	-	-	-	3,011.87	3,011.87
Other Financial Liabilities (Current & Non-current)	420.62	331.70	752.31	-	-	-	-	-	-	-	-	752.31	752.31

**B. Fair Value Hierarchy.**

The Group company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

C. The Group company has not disclosed the fair values for financial instruments for loans (non current), other non current financial assets, trade receivables, cash and cash equivalents and bank balances other than cash and cash equivalents, Borrowings (current and non current), Trade payables, other current financial liabilities because their carrying amounts are reasonably approximation of fair value.

**Note 49 : Financial instruments – Fair values and risk management (Continue..)**

**Financial Risk Management**

**i. Risk management framework**

The Holding company's board of directors has overall responsibility for the establishment and oversight of the Group company's risk management framework. The Holding company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

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

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

The risks that could have significant influence on the Group company are market risk, credit risk and liquidity risk.

**a) Credit risk**

Credit risk is the risk of financial loss to the Group company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

**(i) Trade and other receivables from customers**

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Group company grants credit terms in the normal course of business.

The Group company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. The Group company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Group company historical experience for customers.

**Ageing of Accounts receivables :**

*(Rs. In Lakhs)*

Particulars	As at 31st March, 2024	As at 31st March, 2023
Not Due	-	-
0 - 6 months	10,758.07	11,172.82
6 - 12 months	1,270.18	1,609.46
Beyond 12 months	1,893.85	1,343.59
Less Allowance for doubtful debts	8.51	8.51
Less Allowance for expected credit loss	614.21	524.36
<b>Total</b>	<b>13,299.38</b>	<b>13,593.00</b>

Financial Assets are considered to be of good quality and there is no significant increase in credit risk



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**Movements in provision of doubtful debts/other receivables and expected credit loss :**

(Rs. In Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<u>Provision of doubtful debts</u>		
Opening provision	8.51	8.51
Add : additional allowance made / (reversed)	-	-
<b>Balance at the end of the year</b>	<b>8.51</b>	<b>8.51</b>
<u>Expected Credit Loss</u>		
Opening provision	524.36	452.02
Add : additional allowance made / (reversed)	89.85	72.34
<b>Balance at the end of the year</b>	<b>614.21</b>	<b>524.36</b>

**ii) Cash and cash equivalents and other bank balances**

The Company held cash and cash equivalents and other bank balances amounting to Rs. 754.49 Lakhs and Rs. 39.21 Lakhs respectively (March 31, 2023: Rs. 1518.46 Lakh and 6.41 Lakhs respectively). The cash and cash equivalents are held with bank with good credit ratings and financial institution counterparties with good market standing.

**b) Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Group company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Group company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Group company assessed the concentration of risk with respect to its debt and concluded it to be low

**Maturity profile of financial liabilities**

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(Rs. In Lakhs)

As at March 31st, 2024	On Demand	Less than 1 year	1 to 5 years	Total
Borrowings	938.80	1,059.26	209.76	2,207.82
Trade payables	-	2,429.06	-	2,429.06
Lease liabilities	-	26.01	22.27	48.28
Other financial liabilities	-	308.96	405.63	714.59
	<b>938.80</b>	<b>3,823.28</b>	<b>637.66</b>	<b>5,399.74</b>
(Rs. In Lakhs)				
As at March 31st, 2023	On Demand	Less than 1 year	1 to 5 years	Total
Borrowings	3,216.87	28.45	1,046.98	4,292.29
Trade payables	-	3,011.87	-	3,011.87
Lease liabilities	-	10.60	35.94	46.54
Other financial liabilities	-	331.70	420.62	752.31
	<b>3,216.87</b>	<b>3,382.61</b>	<b>1,503.53</b>	<b>8,103.01</b>

**c) Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and investments in securities.

**i. Currency risk**

The Group company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Group company is Indian Rupee. Our exposure are mainly denominated in Arab Emirates Dirham. The Group company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Group company has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

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*Amount in Forreign currency*

Particulars	31st March, 2024	31st March, 2023
	AED	AED
<b>Financial Asset</b>		
Trade Receivables	18,28,523	49,77,943
<b>Exposure for assets (a)</b>	<b>18,28,523</b>	<b>49,77,943</b>
<b>Financial Liabilities</b>		
Trade Payables	-	-
<b>Exposure for liabilities (b)</b>	-	-
<b>Net exposure (a-b)</b>	<b>18,28,523</b>	<b>49,77,943</b>

*(Rs. In Lakhs)*

Particulars	31st March, 2024	31st March, 2023
	AED	AED
<b>Financial Asset</b>		
Trade Receivables	415.07	1,112.57
<b>Exposure for assets (a)</b>	<b>415.07</b>	<b>1,112.57</b>
<b>Financial Liabilities</b>		
Trade Payables	-	-
<b>Exposure for liabilities (b)</b>	-	-
<b>Net exposure (a-b)</b>	<b>415.07</b>	<b>1,112.57</b>

**Sensitivity analysis**

A reasonably possible strengthening / (weakening) of the Indian Rupee against AED at 31st March would have affected the measurement of financial instruments denominated in AED and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Group company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

**Impact of movement on Profit or (loss) and Equity :**

*(Rs. In Lakhs)*

Effect in INR (before tax)	As at 31st March, 2024		As at 31st March, 2023	
	Profit or (loss) and Equity		Profit or (loss) and Equity	
	Strengthening	Weakening	Strengthening	Weakening
<b>1% movement</b>				
AED	(4.15)	4.15	(11.13)	11.13
	(4.15)	4.15	(11.13)	11.13

**ii) 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 Group company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Group company manages its interest rate risk by monitoring the movements in the market interest rates closely.

**Exposure to interest rate risk**

Group company's interest rate risk arises primarily from borrowings. The interest rate profile of the Group company's interest-bearing financial instruments is as follows.

*(Rs. In Lakhs)*

Particulars	As at 31st March, 2024	As at 31st March, 2023
Variable rate borrowings	1,938.80	4,216.87
Fixed rate borrowings	269.01	75.42
	<b>2,207.82</b>	<b>4,292.29</b>

**Cash flow sensitivity analysis for variable-rate instruments**

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates :

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(Rs. In Lakhs)

Cash flow sensitivity (net)	Profit or (loss)	
	50 bp increase	50 bp decrease
<b>31st March 2024</b>		
Variable-rate loan instruments	(9.69)	9.69
<b>Cash flow sensitivity (net)</b>	<b>(9.69)</b>	<b>9.69</b>
<b>31st March 2023</b>		
Variable-rate loan instruments	(21.08)	21.08
<b>Cash flow sensitivity (net)</b>	<b>(21.08)</b>	<b>21.08</b>

**iii) Other price risk**

The Group company is not exposed to the other price risk.

**Note 50 : Capital Management**

The Group company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. Management monitors the return on capital as well as the debt equity ratio and make necessary adjustments in the capital structure for the development of the business. The capital structure of the Group company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day - to - day needs. In order to maintain or adjust the capital structure, the Group company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

(Rs. In Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total debts	2,207.82	4,292.29
Total equity	24,725.50	23,377.43
<b>Total debts to equity ratio (Gearing ratio)</b>	<b>8.93%</b>	<b>18.36%</b>

Note : For the purpose of computing debt to equity ratio, equity includes Equity share capital and Other Equity and Debt includes Long term borrowings, Short term borrowings and current maturities of long term borrowings.

**Veto Switchgears and Cables Limited**  
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**Note 51 : Disclosure of additional information pertaining to the Parent Group and Subsidiaries:**

**A) The Holding company's investments in subsidiaries are as under:**

Name of the subsidiaries	Activities	Country of incorporation	Portion of ownership interest as at 31 March 2024	Portion of ownership interest as at 31 March 2023	Method used to account for the investment	Carrying Account as at 31 March 2024	Carrying Account as at 31 March 2023
Veto Electricals Private Limited	Manufacturing	India	100%	100%	At Cost	900.00	900.00
Vankon Modular Private Limited	Manufacturing & Trading	India	95.50%	95.50%	At Cost	886.27	886.27
Veto Led Lighting Private Limited	N.A	India	100%	100%	At Cost	900.00	900.00
Veto Overseas Private FZE*	Trading	Dubai	0%	100%	At Cost	-	1,249.17

\* Refer Note 53

**B) Additional information pursuant to schedule iii of Companies Act, 2013**

**a) For the Year ended 31st March 2024**

(Rs. In Lakhs)

Name of the Enterprises	Net Assets		Share in Profit or loss		Other comprehensive income		Total comprehensive income	
	Net Assets	As % of Consolidated Net Assets	Profit / (Loss)	As % of Consolidated Profit or Loss	Other comprehensive income	As % of Other comprehensive income	Total comprehensive income	As % of Total comprehensive income
<b>Parent</b>								
Veto Switchgears And Cables Limited	23,649.53	95.65%	1,495.26	82.78%	4.95	-3.19%	1,500.22	90.86%
<b>Subsidiaries</b>								
Veto Overseas Private FZE	0.00	0.00%	(14.49)	-0.80%	(160.04)	103.19%	(174.53)	-10.57%
Veto Electricals Private Limited	(252.25)	-1.02%	81.50	4.51%	-	-	81.50	4.94%
Veto Led Lighting Private Limited	(13.85)	-0.06%	(3.14)	-0.17%	-	-	(3.14)	-0.19%
Vankon Modular Private Limited	1,241.88	5.02%	236.05	13.07%	-	-	236.05	14.30%
<b>Minority Interest in all subsidiaries</b>	100.20	0.41%	11.11	0.62%	-	-	11.11	0.67%
<b>TOTAL</b>	<b>24,725.50</b>	<b>100.00%</b>	<b>1,806.31</b>	<b>100.00%</b>	<b>(155.09)</b>	<b>100.00%</b>	<b>1,651.22</b>	<b>100.00%</b>

Note : The above figures are after eliminating intra group transactions and intra group balances as at 31st March, 2024

**Veto Switchgears and Cables Limited**  
**Notes to consolidated financial statements for the year ended 31st March, 2024**

b) For the Year ended 31st March 2023

(Rs. In Lakhs)

Name of the Enterprises	Net Assets		Share in Profit or loss		Other Comprehensive Income		Total Comprehensive Income	
	Net Assets	As % of Consolidated Net Assets	Profit / (Loss)	As % of Consolidated Profit or Loss	Other Comprehensive income	As % Of Other comprehensive income	Total Comprehensive income	As % Of Total comprehensive income
<b>Parent</b>								
Veto Switchgears And Cables Limited	20,889.28	89.36%	1,155.89	56.51%	5.17	3%	1,161.06	51.91%
<b>Subsidiaries</b>								
Veto Overseas Private FZE	1,737.73	7.43%	111.96	5.47%	186.19	97%	298.15	13.33%
Veto Electricals Private Limited	(333.77)	-1.43%	194.08	9.49%	-	-	194.08	8.68%
Veto Led Lighting Private Limited	(10.71)	-0.05%	(4.33)	-0.21%	-	-	(4.33)	-0.19%
Vankon Modular Private Limited	1,005.82	4.30%	567.12	27.73%	-	-	567.12	25.36%
<b>Minority Interest in all subsidiaries</b>	89.08	0.38%	20.62	1.01%	-	-	20.62	0.92%
<b>TOTAL</b>	<b>23,377.43</b>	<b>100.00%</b>	<b>2,045.35</b>	<b>100.00%</b>	<b>191.36</b>	<b>100.00%</b>	<b>2,236.71</b>	<b>100%</b>

Note : The above figures are after eliminating intra group transactions and intra group balances as at 31st March, 2023

**Veto Switchgears and Cables Limited**  
**Notes to consolidated financial statements for the year ended 31st March, 2024**

**Note 52 : Additional regulatory Information required by schedule III to the companies act, 2013**

- 1 The Group company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- 2 The Group company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- 3 The Group company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- 4 Utilisation of borrowed funds and share premium
  - I The Group company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
    - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
    - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
  - II The Group company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group 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.
- 5 There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- 6 The Group company has not traded or invested in crypto currency or virtual currency during the year.
- 7 The Group company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

**Note 53 :** During the Year Ended March 31, 2024 ,the Holding company has lost control over its own subsidiary company Veto overseas private SEZ. The Holding company has accordingly derecognised assets and liabilities of the former subsidiary from the consolidated balance sheet and has recognised loss on loss of control over Veto overseas Private SEZ . An amount of Rs.1249.17 Lakh (AED 6,475,000) has been received in the form of proceeds of cession of Investment from former subsidiary company Veto overseas private SEZ dated 13th March 2024

**Note 54 :** For financial year 2023-2024, the Board recommended a final dividend of Re.1/- (par value of Rs. 10/- each) per equity share. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Holding Company.

**Note 55 :** Figures of the previous year have been regrouped, reclassified and/or rearranged wherever necessary.

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As per our report of even date attached  
**For C A S & Co**  
Chartered Accountants  
Firm Registration No. 111075W

For and on behalf of the Board of Directors of  
**Veto Switchgears and Cables Limited**

**Sajjan Kanodia**  
Partner  
Membership No. : 048047

**Akshay Kumar Gurnani**  
Managing Director & CEO  
(DIN : 06888193)

**Narain Das Gurnani**  
Whole Time Director & CFO  
(DIN : 01970599)

**Kritika Todwal**  
Company Secretary

Place: Mumbai  
Date: May 29, 2024

Place: Jaipur  
Date: May 29, 2024

## **INDEPENDENT AUDITOR'S REPORT**

To the Members **Veto Switchgears and Cables Limited**

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

#### **Opinion**

We have audited accompanying Ind AS standalone financial statements of Veto Switchgears and Cables Limited ("the Company"), which comprise the balance sheet as at 31st March 2024, and the statement of Profit and Loss (Including Other Comprehensive Income), statement of cash flows and statement of changes in equity for the year ended 31<sup>st</sup> March 2024, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (herein referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (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 31<sup>st</sup> March 2024, and Profit (Financial performance including other comprehensive income), its cash flows and changes in equity for the year ended 31<sup>st</sup> March 2024.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 the 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. During the course of our audit, we have determined that there are no key audit matters to be communicated in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the management discussion and analysis Board's Report, Annual Report, Report on Corporate governance and Business Responsibility report but does not included in the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and accounting principles generally accepted in India, including the 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 for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

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



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

1. Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.
  
2. 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  
  - Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- 3. 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.
- 4. 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.
- 5. 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

- 1 As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure 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 Standalone Ind AS financial statements 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 as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”, our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the company’s internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact pending litigations on its financial position in its financial statements. -Refer note 41 for financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring the 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 entity (“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

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representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. Based on our examination, which include test checks, the company has used accounting software for maintaining its books of accounts for the Financial year ended March 31, 2024, which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transaction recorded in software. Further during our audit, we did not come across any instances of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

- vi. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.
3. The final dividend paid by the company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to the payment of dividend.

The Board of Directors of the Company has proposed a final dividend for the year which is subject to approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with Section 123 of the Act to the extent it applies to dividend. (Refer note 53 to the Standalone financial statements).

**For C A S & Co**

*Chartered Accountants*

Firm Registration No. 111075W

**Sajjan Kanodia**

Partner

## **Annexure “A” to Independent Auditor’s Report**

Annexure referred to in Paragraph 1 of “Report on Other Legal and Regulatory Requirements” of our Independent Auditor’s Report of even date to the members of Veto Switchgears and Cables Limited (“the Company”) on the Financial Statements for the year ended 31<sup>st</sup> March 2024.

As required by the Companies (Auditors Report) Order, 2020 and according to the information and explanations given to us during the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- i) a) A)The company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and equipment and relevant details of right-of-use assets.  
  
B) The Company has maintained proper records showing full particulars of intangible assets.
- b) Property, plant and equipment have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size of the Company and the nature of its assets. In pursuant to the programme certain fixed assets have been physically verified by the Company during the year. The frequency of verification is reasonable, and no discrepancies have been noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company.
- d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- e) According to information and explanations given to us, 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 (45 of 1988) and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company
- ii) a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate. No material discrepancies were noticed on such verification.
- b) During the year, the company has been sanctioned working capital limits in excess of five crore

rupees, in aggregate from bank on the basis of security of current assets. The quarterly returns filed by the company with such bank were in agreement with the books of accounts.

- iii) (A) The details of loans granted to subsidiary are given below. Further during the year, the company has not provided advance in the nature of loans, or given guarantee, or provided security to subsidiary, joint ventures and associate.

	(Rs. in Lakhs)
<b>Particulars</b>	<b>Total Loan</b>
-Aggregate amount granted during the year Subsidiary company	3624.44
-Balance outstanding as on 31 <sup>st</sup> March, 24	
Subsidiary company	3631.40

(B) The Company has not granted loans or advances and guarantees or security to parties other than subsidiary, joint ventures, and associate.

- b) According to the information explanation provided to us, during the year the Company has not made any investment, not provided any guarantees, not given any securities. The terms and conditions of all loans granted during the year, prime facie, not prejudicial to the company's interest.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
- e) According to the information and explanations given to us and on the basis of our examination no loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

- iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments, loans, guarantees and securities made by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 (“the Act”) have been complied with.
- v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year. In respect of unclaimed deposits, the Company has complied with the provisions of section 73 to 76 of the Act and the rules framed thereunder.
- vi) The Central Government has prescribed the maintenance of cost record under Section 148(1) of the Act. We have not reviewed the cost records maintained by the Company but based on the information submitted by the Company we are of the view that such accounts and records have been made and duly maintained.
- vii) a) Accordingly, to the records of the Company, amount deducted/accrued in the books of accounts in respect of the undisputed statutory dues including Provident fund, Employee’s State Insurance, Income tax, Goods and Services tax, Duty of Customs, Cess and other Statutory Dues to the extent applicable to the Company, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, there are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2024 for a period more than six months from the date they became payable.
- b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, customs duty, cess and any other statutory dues which have not been deposited on account of any dispute *except following disputed statutory dues:*

<b>Nature of Liability</b>	<b>Amount (Rs.in lakhs)</b>	<b>Period to which matter pertains</b>	<b>Forum at which dispute is pending</b>
Income tax	92.24 Lakh	A.Y. 2021-22	CIT(Appeal)
Income tax	63.04 Lakh	A.Y. 2014-15	High Court

- viii) According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.



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- ix)
  - a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
  - b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - c) According to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
  - d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
  - e) As per information and explanation provided to us and procedures performed by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
  - f) According to information and explanations provided to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x)
  - a) The Company has neither raised money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x)(a) of the Order is not applicable to the Company.
  - b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.
- xi)
  - a) During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company.
  - b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the standalone financial statement for the year ended March 31, 2024, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.



- c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the course of audit. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to company.
- xii) The Company is not a Nidhi Company. Accordingly, paragraph 3 clause (xii)(a), (b) and (c) of the Order is not applicable to the Company.
- xiii) According to the information and explanation given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18 'Related Party Disclosures' specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014.
- xiv) a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- xvi) a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii) According to the information explanation provided to us, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph clause 3 (xvii) of the Order are not applicable to the Company.
- xviii) According to the information and explanation given to us and based on our examination of the records of the Company there is no resignation of the statutory auditors has been taken during the year.

- xix) 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 and 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 indicating 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a fund specified in schedule VII to the Companies Act or special account in compliance with the provision of sub section(6) of section 135 of the said act. Accordingly, reporting under clause (xx) of the order is not applicable for the year.
- xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For C A S & Co**

*Chartered Accountants*

Firm Registration No. 111075W

**Sajjan Kanodia**

Partner

Membership No. 048047

UDIN: 24048047BKDHU1225

Date: 29<sup>th</sup> May 2024

Place: Mumbai

**Annexure “B” to the Independent Auditor’s Report of even date on the standalone financial statements of Veto Switchgears and Cables Limited for the year ended 31<sup>st</sup> March 2024.**

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

In conjunction with our audit of the standalone financial statements of **Veto Switchgears and Cables Limited** (“the Company”) as of March 31, 2024, we have audited the internal financial controls over financial reporting of Veto Switchgears and Cables Limited (“the Company”) as of March 31, 2024.

### **Management’s Responsibility for Internal Financial Controls**

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

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 control system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has maintained, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 C A S & Co**

*Chartered Accountants*

Firm Registration No. 111075W

### **Sajjan Kanodia**

Partner

Membership No. 048047

UDIN: 24048047BKDHUI1225

Date: 29<sup>th</sup> May 2024

Place: Mumbai

**Veto Switchgears and Cables Limited**  
**Balance Sheet as at 31st March, 2024**

(Rs. In Lakhs)

Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	1,149.11	1,027.75
Right of Use Asset	4	34.84	23.97
Investment Property	5	1,315.63	1,340.38
Other Intangible assets	6	-	-
<b>Financial Asset</b>			
Investments	7	2,686.78	3,935.95
Loans	8	3,631.40	2,649.59
Other financial assets	9	123.74	205.04
Other Non current assets	10	16.21	6.20
Deferred tax asset (net)	11	453.29	381.27
<b>Total</b>		<b>9,411.00</b>	<b>9,570.15</b>
<b>Current Assets</b>			
Inventories	12	6,985.04	6,746.84
<b>Financial Asset</b>			
Trade receivables	13	9,266.87	8,556.26
Cash and cash equivalents	14	707.21	375.68
Bank Balances other than Cash and Cash Equivalents	15	39.21	6.41
Other financial assets	16	385.08	266.19
Other Current Asset	17	560.39	604.59
<b>Total</b>		<b>17,943.80</b>	<b>16,555.97</b>
<b>TOTAL ASSETS</b>		<b>27,354.80</b>	<b>26,126.12</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	18	1,911.50	1,911.50
Other equity	19	22,008.58	19,146.99
<b>Total Equity</b>		<b>23,920.08</b>	<b>21,058.49</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	20	203.31	1,034.09
Lease liabilities	21	17.51	18.01
Other financial liabilities	22	405.63	420.62
Provisions	23	52.54	41.24
<b>Total Non-current Liabilities</b>		<b>678.99</b>	<b>1,513.96</b>
<b>Current Liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	24	1,059.26	1,693.39
Trade payables	25		
- Due to micro and small enterprises		570.20	740.24
- Due to Others		665.57	538.72
Lease liabilities	26	26.01	10.60
Other financial liabilities	27	112.10	104.93
Other current liabilities	28	244.14	326.55
Provisions	29	16.83	16.31
Income Tax Liabilities (Net)	30	61.62	122.93
<b>Total Current Liabilities</b>		<b>2,755.73</b>	<b>3,553.67</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>27,354.80</b>	<b>26,126.12</b>
Summary of material accounting policies and other notes on accounts	1 & 2		
The accompanying notes form an integral part of the financial statements.	3 - 55		

As per our report of even date attached

**For C A S & Co**

Chartered Accountants

Firm Registration No. 111075W

For and on behalf of the Board of Directors of

**Veto Switchgears and Cables Limited**

**Sajjan Kanodia**

Partner

Membership No. : 048047

**Akshay Kumar Gurnani**

Managing Director & CEO

(DIN : 06888193)

**Narain Das Gurnani**

Whole Time Director & CFO

(DIN : 01970599)

**Kritika Todwal**

Company Secretary

Place: Mumbai  
Date: May 29, 2024

Place: Jaipur  
Date: May 29, 2024

**Veto Switchgears and Cables Limited**  
Statement of Profit and Loss for the year ended 31st March ,2024

(Rs. In Lakhs)

Particulars	Note No.	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>INCOME</b>			
Revenue from operation	31	20,955.45	19,606.47
Other income	32	2,061.32	1,288.68
<b>Total Income</b>		<b>23,016.77</b>	<b>20,895.15</b>
<b>EXPENSES</b>			
Cost of materials consumed	33	8,358.02	7,454.56
Purchases of stock-in-trade	34	7,515.37	6,796.14
Changes in inventories of finished goods and stock in trade	35	(455.12)	36.23
Employee benefits expense	36	1,085.51	1,112.08
Finance costs	37	259.31	380.89
Depreciation and amortisation expense	38	213.13	233.09
Other expenses	39	2,017.17	1,774.11
<b>Total Expenses</b>		<b>18,993.39</b>	<b>17,787.10</b>
<b>Profit before tax (A-B)</b>		<b>4,023.38</b>	<b>3,108.05</b>
<b>Tax expenses :</b>			
- Current tax		1,003.64	757.99
- Deferred tax liability / (asset)		(73.73)	(53.44)
- Tax for earlier years		45.67	118.71
<b>Total Tax Expenses</b>		<b>975.58</b>	<b>823.26</b>
<b>Net Profit for the year</b>		<b>3,047.80</b>	<b>2,284.79</b>
<b>Other comprehensive income (OCI)</b>			
Items not to be reclassified subsequently to profit or loss :			
- Re-measurement gains / (Loss) on defined benefits plans		6.66	6.95
- Income tax effect on above		(1.71)	(1.78)
<b>Total Other comprehensive income (OCI)</b>		<b>4.95</b>	<b>5.17</b>
<b>Total comprehensive income for the year (E-F)</b>		<b>3,052.75</b>	<b>2,289.96</b>
<b>Earnings per equity share :</b>			
(Nominal value of share Rs.10 each)			
- Basic	40	15.94	11.95
- Diluted		15.94	11.95
Summary of material accounting policies and other notes on accounts	1 & 2		
The accompanying notes form an integral part of the financial statements.	3 - 55		

As per our report of even date attached  
**For C A S & Co**  
Chartered Accountants  
Firm Registration No. 111075W

For and on behalf of the Board of Directors of  
**Veto Switchgears and Cables Limited**

**Sajjan Kanodia**  
Partner  
Membership No. : 048047

**Akshay Kumar Gurnani**  
Managing Director & CEO  
(DIN : 06888193)

**Narain Das Gurnani**  
Whole Time Director & CFO  
(DIN : 01970599)

**Kritika Todwal**  
Company Secretary

Place: Mumbai  
Date: May 29, 2024

Place: Jaipur  
Date: May 29, 2024

**Veto Switchgears and Cables Limited**  
**Cash Flow Statement For the year ended 31st March, 2024**

(Rs. In Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>A</b>		
<b>Cash flow from operating activities</b>		
Net profit before taxation	4,023.38	3,108.05
<b>Adjustments to reconcile profit before tax to net cash inflow from operating activities:</b>		
Depreciation on property, plant and equipment	213.13	233.09
Profit on sale of property, plant and equipment	(1.07)	(0.15)
Finance costs	259.31	380.89
Interest income	(294.12)	(310.57)
Rent received	(102.44)	(90.11)
Sundry balances written off	1.23	0.22
Provision for expected credit loss on trade receivables	89.85	72.34
Dividend Received from Subsidiary company	(1,451.19)	(827.96)
<b>Operating profit before working capital changes</b>	<b>2,738.08</b>	<b>2,565.80</b>
<b>Working capital adjustments:-</b>		
(Increase) / Decrease in Trade Receivables	(800.43)	(1,491.82)
(Increase) / Decrease in Inventories	(238.20)	220.72
(Increase) / Decrease in other financial assets	(37.60)	(23.55)
(Increase) / Decrease in Other current assets	42.96	29.72
Increase / (Decrease) in Trade Payables	(43.18)	357.81
Increase / (Decrease) in Other Financial Liabilities	(7.82)	(189.61)
Increase / (Decrease) in Other current liability	(82.41)	5.87
Increase / (Decrease) in Provisions	18.48	18.61
<b>Cash generated from / (used in) operations</b>	<b>1,589.88</b>	<b>1,493.53</b>
Income Tax paid	(1,110.61)	(984.54)
<b>Net cash flow from operating activities</b>	<b>479.27</b>	<b>508.99</b>
<b>B.</b>		
<b>Cash flow from investing activities</b>		
Acquisition of Property, Plant and Equipments	(332.32)	(107.63)
Sale of property plant and equipment	49.18	0.40
Loans and advances received back (granted) during the year	(981.81)	100.38
Maturity and Investment of fixed deposits and Interest received on loan	261.32	310.57
Investment made / (Proceeds) from sale of equity instruments	1,249.17	-
Rent received	102.44	90.11
Dividend received	1,451.19	827.96
<b>Net Cash inflow / (outflow) from investment activities</b>	<b>1,799.17</b>	<b>1,221.79</b>
<b>C.</b>		
<b>Cash Flow from Financing Activities:</b>		
Proceeds / (Repayment) of Borrowings (Net) & Interest paid	(1,724.25)	(1,353.35)
Repayment of lease liabilities	(31.51)	(38.14)
Dividend Paid	(191.15)	(191.15)
<b>Net cash inflow / (outflow) from financing activities</b>	<b>(1,946.91)</b>	<b>(1,582.64)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>331.53</b>	<b>148.15</b>
Cash and cash equivalents at the beginning of the year	375.68	227.53
Cash and cash equivalents at the end of the year	<b>707.21</b>	<b>375.68</b>

**Veto Switchgears and Cables Limited**  
**Cash Flow Statement For the year ended 31st March, 2024**

(Rs. In Lakhs)

**Note :**

- 1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.
- 2 Cash and cash equivalent at the end of the year consists of cash in hand and balances with banks as follows :

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cash on hand	6.98	11.02
Balances with bank on current account	446.47	364.66
In Cash Credit accounts	253.75	-
	<b>707.21</b>	<b>375.68</b>

Particulars	As at March 31, 2022	New leases	Cashflows	Others	As at March 31, 2023
Borrowings - Non-current	336.81	-	697.28	-	1,034.09
Lease liabilities -Non-current	43.60	-	(1.29)	(24.30)	18.01
Borrowings - Current	3,366.61	-	(1,673.22)	-	1,693.39
Lease liabilities -Current	47.45	-	(36.85)	-	10.60

Particulars	As at March 31, 2023	New leases	Cashflows	Others	As at March 31, 2024
Borrowings - Non-current	1,034.09	-	(830.79)	-	203.31
Lease liabilities -Non-current	18.01	20.41	(20.91)	-	17.51
Borrowings - Current	1,693.39	-	(634.13)	-	1,059.26
Lease liabilities -Current	10.60	26.01	(10.60)	-	26.01

As per our report of even date attached

For and on behalf of the Board of Directors of

**For C A S & Co**

**Veto Switchgears and Cables Limited**

Chartered Accountants

Firm Registration No. 111075W

**Sajjan Kanodia**

Partner

Membership No. : 048047

**Akshay Kumar Gurnani**

Managing Director & CEO

(DIN : 06888193)

**Narain Das Gurnani**

Whole Time Director & CFO

(DIN : 01970599)

**Kritika Todwal**

Company Secretary

Place: Mumbai

Date: May 29, 2024

Place: Jaipur

Date: May 29, 2024



**Veto Switchgears and Cables Limited**  
**Statement of Changes in Equity for the Year ended March 31, 2024**

(Rs. In Lakhs)

**Equity Share Capital**

Particulars	Balance as at 01.04.2022	Changes in equity share capital	Balance as at 31.03.2023	Balance as at 01.04.2023	Changes in equity share capital	Balance as at 31.03.2024
Paid up Equity Capital	1,911.50	-	1,911.50	1,911.50	-	1,911.50

**Other Equity**

Particulars	Reserves and surplus			Other comprehensive income	Total equity attributable to equity holders
	Securities premium Reserve	Retained Earnings	Capital Reserve	Gain / (loss) on fair value of defined benefit plans	
<b>Balance as at April 1,2022</b>	<b>2,424.33</b>	<b>12,667.84</b>	<b>1,912.50</b>	<b>43.51</b>	<b>17,048.18</b>
Total comprehensive income for the year	-	2,284.79	-	5.17	2,289.96
Dividend Paid (Rs.1 per share)	-	(191.15)	-	-	(191.15)
<b>Balance as at March 31,2023</b>	<b>2,424.33</b>	<b>14,761.48</b>	<b>1,912.50</b>	<b>48.68</b>	<b>19,146.99</b>
Total comprehensive income for the year	-	3,047.80	-	4.95	3,052.74
Dividend Paid (Rs.1 per share)	-	(191.15)	-	-	(191.15)
<b>Balance as at March 31,2024</b>	<b>2,424.33</b>	<b>17,618.13</b>	<b>1,912.50</b>	<b>53.63</b>	<b>22,008.58</b>

**Description of nature and purpose of reserve**

**Securities Premium Reserve**

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

**Retained Earnings**

Retained Earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

**Capital Reserve**

Capital Reserve represents reserves of the Company on the forfeiture of the upfront subscription amount received on the share warrants, on non-exercise of option before the due date to convert such warrants into equity shares. The reserve is utilised in accordance with the provisions of the Act.

**Gain / (loss) on fair value of defined benefit plans**

The Company has recognised remeasurement gains/ (loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The company transfers amounts from this reserve to retained earnings when the relevant obligations are derecognised.

As per our report of even date attached

**For C A S & Co**

Chartered Accountants

Firm Registration No. 111075W

**For and on behalf of the Board of Directors**

Veto Switchgears and Cables Limited

**Sajjan Kanodia**

Partner

Membership No. : 048047

**Akshay Kumar Gurnani**

Managing Director & CEO

(DIN : 06888193)

**Narain Das Gurnani**

Whole Time Director & CFO

(DIN : 01970599)

**Kritika Todwal**

Company Secretary

Place: Mumbai

Date: May 29, 2024

Place: Jaipur

Date: May 29, 2024

## **Note 1 Corporate Information**

Veto Switchgears and Cables Limited (the Company) is a listed public company domiciled in India and incorporated under the provisions of the Companies Act, 1956, having registered office at 506, 5th floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West), Mumbai 400058 and Corporate office is located at 4th Floor, Plot No. 10, Days Hotel, Airport Plaza Scheme, Behind Hotel Radisson Blu, Tonk Road, Durgapura, Jaipur 302018, Rajasthan, India. The Company has its manufacturing unit at Haridwar. The Company is engaged in manufacturing of wires & cables, electrical accessories & also deals in LED lighting, CFL & Fans. The Company's equity shares have been listed on two stock exchanges in India namely National Stock Exchange ("NSE") and on Bombay Stock Exchange ("BSE")

The standalone financial statement of the Company for the year ended 31st March 2024 was approved and authorised to issue by the Audit Committee and by the Board of Directors at their respective meetings held on 29th May 2024

## **Note 2.1 Basis of preparation and presentation of standalone financial statements**

### **i Basis of Preparation**

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015 (as amended).

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

The financial statement has been prepared for the as a going concern on the basis of of relevant Ind AS that are effective at the Company's annual reporting date, 31st March 2024

All the assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in as per the guidance set out in Schedule III to the Act. Based on nature of services, the Company ascertained its operating cycle as 12 months for the purpose of current and non-current classification of asset and liabilities.

### **ii Accounting Estimates**

The preparation of the financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

#### **Estimates and assumptions**

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. 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 financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### **Deferred tax assets**

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

#### **Defined benefit plans**

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

### **Impairment of Receivables**

The impairment provisions of financial receivables based on the assumptions about risk of default and expected loss rates.

### **Measurement of fair values**

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

## **Note 2.2 Material Accounting Policies:**

### **i Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognised in profit and loss.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April 2016 of its tangible Assets and used that carrying value as the deemed cost.

### **ii Intangible Assets**

Costs relating to acquisition of trademarks are capitalised as "Intangible Assets"

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April 2016 of its Intangible Assets and used that carrying value as the deemed cost.

### **iii Depreciation/ Amortisation**

Depreciation/ amortisation is provided:

#### **Tangible Assets:**

- No depreciation is charged on Freehold Land.
- Leasehold land have not been amortised being a perpetual in nature.
- Leasehold improvements are written off over the noncancellable period of lease
- Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, Plant & Equipment of the company has been provided as per the Written Down value method as per the useful lives of the respective Property, Plant & Equipment in the manner as prescribed by Schedule II of the Act..

#### **Intangible Assets:**

- Goodwill & Trade marks has been amortized over a period of five years.

The useful lives have been determined based on technical evaluation carried out by the management's expert, in order to reflect the actual usage of the assets. The asset's useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

### **iv Financial Instruments**

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

## **a) Financial Assets**

### **Initial Recognition**

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. 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.

### **Subsequent Measurement**

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

#### **Financial Assets at Amortised Cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

#### **Financial Assets Measured at Fair Value**

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April 2016 of its equity investments in subsidiaries and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1st April 2016.

### **Impairment of Financial Assets**

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

### **De-recognition of Financial Assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

## **b) Equity Instruments and Financial Liabilities**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

### **Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

### **Financial Liabilities**

#### **1) Initial Recognition**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### **2) Subsequent Measurement**

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

##### **Financial liabilities at FVPL**

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

##### **Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

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 as finance costs in the Statement of Profit and Loss.

#### **3) De-recognition of Financial Liabilities**

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

## **c) Offsetting Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

## **v Inventories**

Inventories are valued as follows:

- a Finished Goods are valued at lower of cost or net realisable value\*.
- b Raw Materials are valued at lower of cost or net realisable value\*\*.
- c Packing Materials are valued at cost or net realizable value\*\*.
- d Stock in Trade is valued at lower of cost or net realisable value\*\*.

\* Cost is arrived at on comprises the cost of purchases, the cost of conversion and the cost of packing materials

\*\* Cost is arrived at on weighted average cost method.

## **vi Employee Benefits**

### **a Defined Contribution Plan**

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

**b Defined Benefit Plan**

The Company also provides for gratuity which is a defined benefit plan, the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

**c Leave entitlement and compensated absences**

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

**d Short-term Benefits**

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

**e Share - Based Compensation**

The company recognizes compensation expense relating to employees stock option plan in statement of profit and loss account in accordance with IND AS 102, Share - Based Payment. Accordingly, compensation expense as determined on the date of the grant is amortised over the vesting period. The Company follows fair value method to calculate the value of the stock options.

**vii Cash and Cash Equivalents**

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand, which are subject to an insignificant risk of changes in value.

**viii Borrowing Costs**

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

**ix Government Grant**

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received.

Government grants relating to the purchase of property, plant and equipment are treated as deferred income and are recognized in net profit in the statement of profit and loss on a systematic and rational basis over the useful life of the asset.

Government grants related to revenue are recognized on a systematic basis in net profit in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

**x Foreign Exchange Translation and Accounting of Foreign Exchange Transaction**

**a Initial Recognition**

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

**b Conversion**

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**c Treatment of Exchange Difference**

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss except those arising from investment in Non Integral operations.

**xi Revenue Recognition**

- a Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.
- b Revenue in respect of export sales is recognised on shipment of products.
- c Sales are recognised net of discounts, rebates and returns.
- d Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.
- e Dividend income is recognized when the company's right to receive dividend is established.
- f Claims for insurance are accounted on receipts/ on acceptance of claim by insurer.

**xii Income Tax**

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

**a Current Income Tax**

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

**b Deferred Income Tax**

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

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

**xiii Impairment of Non-Financial Assets**

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

**xiv Trade receivables**

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

**xv Trade payables**

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

**xvi Earnings Per Share**

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

**xvii Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects 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. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are disclosed in the financial statements.

**xviii Operating Segment**

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM). The Company has identified its Managing Director as CODM which assesses the operational performance and position of the Company and makes strategic decisions.

**xix Cash Flows**

Cash flows are reported using the indirect method, where by net 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 from operating, investing and financing activities are segregated.

**xx Leases**

**Company as a lessee**

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



The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**Company as a lessor**

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever 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.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

**Note 2.3 Recent pronouncements:**

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2024, MCA has not notified any new standards or amendments to the existing standard applicable to the company.

**Veto Switchgears and Cables Limited**  
Notes to standalone financial statements for the year ended 31st March, 2024

**Note 3 : Property, Plant and Equipment**

**Tangible assets**

(Rs. In Lakhs)

Particulars	Leasehold Land	Leasehold Improvements	Factory Building	Office Building	Plant & Machinery	Office Equipments	Furniture & Fixtures	Computers	Vehicles	Total
<b>Gross Carrying Amount</b>										
<b>Balance as at 31st March 2022</b>	<b>353.98</b>	<b>99.55</b>	<b>386.81</b>	<b>178.46</b>	<b>1,025.65</b>	<b>40.38</b>	<b>452.01</b>	<b>30.86</b>	<b>268.29</b>	<b>2,835.98</b>
Additions	-	-	-	-	34.81	7.31	3.06	3.83	52.21	101.22
Disposals	-	-	-	-	-	-	-	-	0.68	0.68
<b>Balance as at 31st March 2023</b>	<b>353.98</b>	<b>99.55</b>	<b>386.81</b>	<b>178.46</b>	<b>1,060.46</b>	<b>47.69</b>	<b>455.06</b>	<b>34.69</b>	<b>319.81</b>	<b>2,936.52</b>
Additions	-	-	-	-	32.32	1.16	1.44	3.93	283.47	322.31
Disposals	-	61.25	-	-	-	23.34	1.08	21.81	119.38	226.86
<b>Balance as at 31st March 2024</b>	<b>353.98</b>	<b>38.30</b>	<b>386.81</b>	<b>178.46</b>	<b>1,092.79</b>	<b>25.51</b>	<b>455.42</b>	<b>16.81</b>	<b>483.90</b>	<b>3,031.97</b>
<b>Accumulated depreciation</b>										
<b>Balance as at 31st March 2022</b>	<b>-</b>	<b>79.21</b>	<b>306.98</b>	<b>26.67</b>	<b>856.07</b>	<b>34.56</b>	<b>205.87</b>	<b>27.76</b>	<b>206.85</b>	<b>1,743.97</b>
Depreciation charge	-	10.61	11.82	7.39	34.60	4.27	64.11	2.35	30.07	165.23
Disposals	-	-	-	-	-	-	-	-	0.43	0.43
<b>Balance as at 31st March 2023</b>	<b>-</b>	<b>89.82</b>	<b>318.80</b>	<b>34.06</b>	<b>890.67</b>	<b>38.83</b>	<b>269.98</b>	<b>30.12</b>	<b>236.49</b>	<b>1,908.77</b>
Depreciation charge	-	-	7.10	7.03	34.13	3.78	47.66	3.60	49.54	152.84
Disposals	-	51.52	-	-	-	22.43	1.06	21.26	82.48	178.75
<b>Balance as at 31st March 2024</b>	<b>-</b>	<b>38.30</b>	<b>325.91</b>	<b>41.09</b>	<b>924.80</b>	<b>20.18</b>	<b>316.58</b>	<b>12.45</b>	<b>203.55</b>	<b>1,882.86</b>
<b>Net carrying value</b>										
Balance as at 31st March 2023	353.98	9.73	68.00	144.40	169.79	8.86	185.08	4.58	83.32	1,027.75
Balance as at 31st March 2024	353.98	0.00	60.90	137.37	167.99	5.33	138.83	4.36	280.35	1,149.11

**Note 4 : Right of Use Asset**

(Rs. In Lakhs)

Particulars	Office Premises	Total
<u>Gross carrying value</u>		
<b>Balance as at 1st April 2022</b>	202.01	202.01
Additions	-	-
Deletions	82.67	82.67
<b>Balance as at 31st March 2023</b>	<b>119.34</b>	<b>119.34</b>
Additions	46.42	46.42
Deletions	47.87	47.87
<b>Balance as at 31st March 2024</b>	<b>117.89</b>	<b>117.89</b>
<u>Accumulated Amortization</u>		
<b>Balance as at 1st April 2022</b>	108.40	108.40
Deletions	54.88	54.88
Amortisation charge for the year	41.85	41.85
<b>Balance as at 31st March 2023</b>	<b>95.37</b>	<b>95.37</b>
Deletions	47.87	47.87
Amortisation charge for the year	35.55	35.55
<b>Balance as at 31st March 2024</b>	<b>83.05</b>	<b>83.05</b>
Balance as at 31st March 2023	23.97	23.97
Balance as at 31st March 2024	34.84	34.84

**Note 5 : Investment Property**

(Rs. In Lakhs)

Particulars	Leasehold Land	Building	Total
<u>Gross carrying value</u>			
<b>Balance as at 1st April 2022</b>	832.24	627.99	1,460.24
Additions	-	-	-
Disposals / Adjustments	-	-	-
<b>Balance as at 31st March 2023</b>	<b>832.24</b>	<b>627.99</b>	<b>1,460.24</b>
Additions	-	-	-
Disposals / Adjustments	-	-	-
<b>Balance as at 31st March 2024</b>	<b>832.24</b>	<b>627.99</b>	<b>1,460.24</b>
<u>Accumulated Depreciation</u>			
<b>Balance as at 1st April 2022</b>	-	93.85	93.85
Depreciation charge	-	26.01	26.01
Disposals / Adjustments	-	-	-
<b>Balance as at 31st March 2023</b>	<b>-</b>	<b>119.86</b>	<b>119.86</b>
Depreciation charge	-	24.75	24.75
Disposals / Adjustments	-	-	-
<b>Balance as at 31st March 2024</b>	<b>-</b>	<b>144.61</b>	<b>144.61</b>
Balance as at 31st March 2023	832.24	508.14	1,340.38
Balance as at 31st March 2024	832.24	483.39	1,315.63

i) Investment property represents the portion of Leasehold land and Building (Total constructed area 38,986 square feet) held at first floor and second floor, 1/2 Portion of third floor, 5th floor and roof floor, Plot no. 10, Airport Plaza, Durgapura, Tonk Road, Jaipur for purpose to earn rental income and there is rent income of Rs. 102.44 lakh generated towards the investment property during year ended March 31, 2024.

ii) Fair value

Particulars	Valuation technique	As at March 31, 2024
Leasehold Land	Stamp duty reckoner rate	905.18
Building	Average market rate	499.02

**Estimation of fair value :**

The fair value of Leasehold Land as at March 31, 2024 is based on the ready reckoner rate prescribed by the Government of Rajasthan. The fair value measurement is categorised in level 2 fair value hierarchy.

The fair value of building as at March 31, 2024 is based on location and locality, facilities and amenities, quality of construction, residual life of building, business potential, supply and demand, local nearby enquiry. The fair value measurement is categorised in level 3 fair value hierarchy.

**Note 6 : Other Intangible assets**

(Rs. In Lakhs)

Particulars	Trademark	Total
<u>Gross carrying value</u>		
<b>Balance as at 1st April 2022</b>	1.12	1.12
Additions	-	-
Disposals / Adjustments	-	-
<b>Balance as at 31st March 2023</b>	1.12	1.12
Additions	-	-
Disposals / Adjustments	-	-
<b>Balance as at 31st March 2024</b>	1.12	1.12
<u>Accumulated amortisation</u>		
<b>Balance as at 1st April 2022</b>	1.12	1.12
Amortisation charge	-	-
Disposals / Adjustments	-	-
<b>Balance as at 31st March 2023</b>	1.12	1.12
Amortisation charge	-	-
Disposals / Adjustments	-	-
<b>Balance as at 31st March 2024</b>	1.12	1.12
<b>Balance as at 31st March 2023</b>	-	-
<b>Balance as at 31st March 2024</b>	-	-

**Note 7 : Investments**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Investments valued at cost, fully paid up, unquoted, unless otherwise stated</b>		
Investment in equity shares		
i) In domestic subsidiaries	2,686.27	2,686.27
ii) In foreign subsidiaries	-	1,249.17
iii) In other companies	0.51	0.51
<b>Total</b>	<b>2,686.78</b>	<b>3,935.95</b>

**Note 7.1 Detailed list of non-current investments**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>I. Investments valued at cost, fully paid up, unquoted, unless otherwise stated (Non current)</b>		
<b>a) Investments in equity shares:</b>		
<b>i) In subsidiaries</b>		
Veto Led Lighting Private Limited 90,00,000 ( PY 90,00,000 ) Equity Shares of Rs.10 each fully paid up	900.00	900.00
Veto Electricals Private Limited 90,00,000 ( PY 90,00,000 ) Equity Shares of Rs.10 each fully paid up	900.00	900.00
Vankon Modular Private Limited 27,69,600 (PY 27,69,600) Equity Shares of Rs.10 each fully paid up	886.27	886.27
<b>ii) In foreign subsidiaries</b>		
Veto Overseas Private FZE Nil ( PY 64,75,000) Equity Shares of 1 AED each fully paid up	-	1,249.17
<b>iii) In other companies</b>		
Veto Lightings Private Limited 5,100 ( PY 5,100 ) Equity Shares of Rs.10 each fully paid up	0.51	0.51
<b>Total</b>	<b>2,686.78</b>	<b>3,935.95</b>

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Aggregate of non-current investments:</b>		
Aggregate book value of quoted investments	2,686.78	3,935.95
Aggregate amount of unquoted investments at cost	2,686.78	3,935.95

**Note 8 : Loans**

(Unsecured, Considered Good)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Loans to subsidiary companies*	3,631.40	2,649.59
<b>Total</b>	<b>3,631.40</b>	<b>2,649.59</b>

\* Includes Accumulated Interest

**Loans to subsidiary companies includes**

Name of the Subsidiary	As at 31st March, 2024	As at 31st March, 2023
Veto Led Lighting Private Limited	1,299.68	852.10
Veto Electricals Private Limited	821.72	811.74
Vankon Modular Private Limited	1,510.00	985.76
<b>Total</b>	<b>3,631.40</b>	<b>2,649.59</b>

**Note 9 : Other financial assets**

(Unsecured, Considered Good)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Fixed deposits (Maturity more than twelve months)*	13.31	46.92
Security Deposits	62.00	109.68
Receivable from Government Authority	48.44	48.44
<b>Total</b>	<b>123.74</b>	<b>205.04</b>

\*held as margin money

**Note 10 : Other Non current assets**

(Unsecured, considered good)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Advance (Refer note no. 41 (b))	16.21	6.20
<b>Total</b>	<b>16.21</b>	<b>6.20</b>

**Note 11 : Deferred tax asset (net)**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Deferred tax assets in relation to</b>		
Property plant and equipment	262.72	234.81
Employee Benefits	17.46	14.49
Other Provisions	156.73	131.97
Lease liabilities	10.95	-
Provision for doubtful	14.20	-
	<b>462.05</b>	<b>381.27</b>
<b>Deferred tax Liabilities in relation to</b>		
Right of use asset	8.77	-
	<b>8.77</b>	<b>-</b>
<b>Total Deferred tax assets (net)</b>	<b>453.29</b>	<b>381.27</b>

**Note 12 : Inventories**

(valued at lower of cost or net realisable value)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Finished Goods	2,829.29	2,028.79
Stock in trade	3,656.24	4,001.62
Raw Materials	428.55	633.67
Packing Materials	70.95	82.76
<b>Total</b>	<b>6,985.04</b>	<b>6,746.84</b>

**Note 13 : Trade receivables**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good	9,881.09	9,080.63
Unsecured, considered doubtful	8.51	8.51
	<b>9,889.60</b>	<b>9,089.14</b>
Less : Provision for doubtful debts	8.51	8.51
Less : Provision for expected credit loss	614.21	524.36
<b>Total</b>	<b>9,266.87</b>	<b>8,556.26</b>

Trade Receivables stated above include debts due by:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Due from subsidiary company	25.87	0.30

**Trade Receivables ageing schedule**

**As at March 31, 2024**

Particulars	Unbilled	Outstanding for following years					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good - from others	-	7,887.76	635.50	516.26	96.28	131.08	<b>9,266.87</b>
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	202.00	12.24	72.56	327.42	<b>614.21</b>
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	8.51	<b>8.51</b>
	<b>-</b>	<b>7,887.76</b>	<b>837.50</b>	<b>528.49</b>	<b>168.83</b>	<b>467.01</b>	<b>9,889.60</b>

**Veto Switchgears and Cables Limited**  
Notes to standalone financial statements for the year ended 31st March, 2024

As at March 31, 2023

Particulars	Unbilled	Outstanding for following years					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good - from others		7,559.53	755.86	233.00	7.60	0.28	8,556.27
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	42.22	113.46	79.04	289.64	524.36
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	8.51	8.51
	-	7,559.53	798.09	346.45	86.64	298.43	9,089.14

**Note 14 : Cash and cash equivalents**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks:		
- In current accounts	446.47	364.66
- In Cash credit accounts	253.75	-
Cash in hand	6.98	11.02
<b>Total</b>	<b>707.21</b>	<b>375.68</b>

**Note 15 : Bank Balances other than Cash and Cash Equivalents**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unpaid Dividend*	3.63	6.41
Fixed Deposits with Banks (Maturity between three to twelve months)	35.59	-
<b>Total</b>	<b>39.21</b>	<b>6.41</b>

\* Note: The unpaid dividend includes Rs 1.44 lakhs, Rs.1.15 lakhs , Rs. 0.61 lakhs and 0.43 Lakh in relation to interim and/ or final dividends declared by the company for FY 2016-17, 2020-21,2021-22 and FY 2022-23 respectively against which claims have not been made. The amounts against the same have been set aside and deposited in separate scheduled bank accounts by the company in compliance with section 124 of the Companies Act 2013

**Note 16 : Other financial assets**

(Unsecured Considered Good)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Security deposits	35.00	-
Other receivable *	350.08	266.19
<b>Total</b>	<b>385.08</b>	<b>266.19</b>

\*Other receivables includes amount receivable against Rent income from a Private Limited Company in which Director and relative of the director have significant influence.

**Note 17 : Other Current Asset**

(Unsecured, considered good)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance to suppliers	228.03	148.42
Less :- Provision for Doubtful	55.93	72.80
	<b>172.10</b>	<b>75.62</b>
Balance with Government Authorities	350.81	479.67
Prepaid expenses	30.83	31.90
Advance to employees	7.14	18.61
Less :- Provision for Doubtful	0.48	1.21
	<b>6.66</b>	<b>17.40</b>
	<b>560.39</b>	<b>604.59</b>

**Note 18 : Equity Share capital**

**a. Details of authorised, issued and subscribed share capital**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Authorised Capital</b>		
2,50,00,000 Equity shares of Rs.10/- each	2,500.00	2,500.00
	<b>2,500.00</b>	<b>2,500.00</b>
<b>Issued, subscribed and fully paid up Capital</b>		
1,91,14,955 Equity shares of Rs. 10/- each fully paid up	1,911.50	1,911.50
	<b>1,911.50</b>	<b>1,911.50</b>

**Veto Switchgears and Cables Limited**  
Notes to standalone financial statements for the year ended 31st March, 2024

**b. Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period**

(No. in lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	191.15	1,911.50	191.15	1,911.50
Issued during the year	-	-	-	-
Shares outstanding at the end of the year	191.15	1,911.50	191.15	1,911.50

**c. Terms/rights attached to equity shares**

The Company has one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

The Company declare and pays dividend in Indian Rupees. Each equity shareholder has the same right of dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

**d. Details of shareholders holding more than 5% shares in the company**

Name of the Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	% held	No. of shares	% held	No. of shares
Veto Electropowers (India) Private Limited	32.28%	61,70,704	37.30%	71,30,704

**e. Shares held by promoters at the end of the year**

Promoter's Name	As at 31st March, 2024		As at 31st March, 2023		% Change during the year*
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Veto Electropowers (India) Private Limited	61,70,704	32.28	71,30,704	37.30	(5.02)
Pushpa Devi Gurnani	2,84,744	1.49	2,84,744	1.49	-
Akshay Kumar Gurnani	6,88,722	3.60	6,88,722	3.60	-
Harish Kumar Gurnani	7,33,333	3.84	7,33,333	3.84	-
Kanishk Kishore Gurnani	4,11,985	2.16	4,11,985	2.16	-
Rohit Gurnani	2,32,985	1.22	2,32,985	1.22	-
Kishore Kumar Gurnani	55,000	0.29	55,000	0.29	-
Sitadevi Gurnani	15,000	0.08	15,000	0.08	-
Narain Das Gurnani	13,200	0.07	13,200	0.07	-
Mukesh Gurnani	6,600	0.03	6,600	0.03	-
	<b>86,12,273</b>	<b>45.06</b>	<b>95,72,273</b>	<b>50.08</b>	<b>(5.02)</b>

Promoter's Name	As at 31st March, 2023		As at 31st March, 2022		% Change during the year*
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Veto Electropowers (India) Private Limited	71,30,704	37.30	71,30,704	37.30	-
Pushpa Devi Gurnani	2,84,744	1.49	12,76,744	6.68	(5.19)
Akshay Kumar Gurnani	6,88,722	3.60	7,78,722	4.07	(0.47)
Harish Kumar Gurnani	7,33,333	3.84	7,33,333	3.84	-
Kanishk Kishore Gurnani	4,11,985	2.16	4,11,985	2.16	-
Rohit Gurnani	2,32,985	1.22	2,32,985	1.22	-
Kishore Kumar Gurnani	55,000	0.29	55,000	0.29	-
Sitadevi Gurnani	15,000	0.08	15,000	0.08	-
Narain Das Gurnani	13,200	0.07	13,200	0.07	-
Mukesh Gurnani	6,600	0.03	6,600	0.03	-
	<b>95,72,273</b>	<b>50.08</b>	<b>1,06,54,273</b>	<b>55.74</b>	<b>(5.66)</b>

**Note 19 : Other equity**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Securities premium</b>		
Opening balance	2,424.33	2,424.33
Add:- Addition during the year	-	-
Closing balance	<b>2,424.33</b>	<b>2,424.33</b>
<b>Capital Reserve</b>		
Opening balance	1,912.50	1,912.50
Add:- Addition during the year	-	-
Closing balance	<b>1,912.50</b>	<b>1,912.50</b>
<b>Retained Earnings:</b>		
Opening balance	14,761.48	12,667.84
Add :- Profit/(Loss) for the year	3,047.80	2,284.79
Less :- Dividend paid	191.15	191.15
Closing balance	<b>17,618.13</b>	<b>14,761.48</b>
<b>Other Comprehensive Income</b>		
Opening balance	48.68	43.51
Add :- Other Comprehensive Income	4.95	5.17
Closing balance	<b>53.63</b>	<b>48.68</b>
<b>Total</b>	<b>22,008.58</b>	<b>19,146.99</b>



**Veto Switchgears and Cables Limited**  
**Notes to standalone financial statements for the year ended 31st March, 2024**

**Note 20 : Borrowings**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Secured</b>		
Working Capital Term Loan (under ECLGS)	-	1,000.00
Working Capital Term Loan from Bank	1,000.00	-
Less: Current maturities of long term debt	1,000.00	-
	<b>-</b>	<b>1,000.00</b>
Hire purchase loans from banks	262.56	62.54
Less: Current maturities of long term debt	59.26	28.45
	<b>203.31</b>	<b>34.09</b>
<b>Total</b>	<b>203.31</b>	<b>1,034.09</b>

**Additional information pursuant to long term borrowings :**

A) Nil (PY 1,000.00 Lakh) Working Capital Term loan (total sanction limit of Rs. 1,000.00 lakhs) from Indian Overseas Bank under Emergency Credit Line Guarantee Scheme, 100% guaranteed by National Credit Guarantee Trustee Company and secured by second charge with the existing credit facilities in terms of cash flows and security carries Interest of base rate + 1% p.a. The said loan is repayable in 36 monthly instalments of Rs. 27.78 lakhs with an initial holiday period of 24 months from the date of first disbursement. Interest to be served as and when debited including holiday period. The same has been fully repaid during the year.

B) 1,000.00 lakh (PY Nil) Working Capital Term loan (total sanction limit of Rs. 1000.00 lakhs) from HDFC Bank under term Loan, and secured by charge with the existing credit facilities in terms of cash flows and security carries Interest of 3 Month T bill + 1.63% p.a. (3 month T bill is 6.87% as on 3rd May 2023).The said loan is repayable in 35 monthly instalments of Rs. 31.56 lakhs with an initial holiday period of 9 months from the date of first disbursement. Interest to be served as and when debited including holiday period. The same term loan has been fully repaid on 18th May 2024.

C) Hire Purchase Loans are secured by hypothecation of respective vehicle financed. The loans carries interest @ 8.50% to 10% p.a. The loan is repayable in 36 to 60 equal monthly instalments.

**Note 21 : Lease liabilities**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease liabilities (Refer note 49)	17.51	18.01
	<b>17.51</b>	<b>18.01</b>

**Note 22 : Other financial liabilities**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade deposits	405.63	420.62
	<b>405.63</b>	<b>420.62</b>

**Note 23 : Provisions**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for gratuity	52.54	41.24
	<b>52.54</b>	<b>41.24</b>

**Note 24 : Borrowings**

Particulars	As at 31st March, 2024	As at 31st March, 2023
(Secured)		
Working capital Loan from bank	-	1,664.94
Current maturities of long term debts	1,059.26	28.45
	<b>1,059.26</b>	<b>1,693.39</b>

(A) Nil ( PY 1664.94 Lakh) Working Capital Loan from Indian Overseas Bank carries interest rate of base rate + 1.75% p.a. The loan is secured by way of 1st charge on entire current assets of the Company and collateral security of factory land and building of the Company, land and building of M/s. Vimal Power Cables Private Limited, hypothecation of fixed assets (excluding land and building and vehicles) of the Company, personal guarantee of two director and two promoters and corporate guarantee of Vimal Power cables Private Limited and Veto Electropowers (India) Private Limited .

(B) The quarterly returns filed by the company to HDFC Bank are in agreement with the books of accounts:

**Veto Switchgears and Cables Limited**  
**Notes to standalone financial statements for the year ended 31st March, 2024**

**Note 25 : Trade payables**

Particulars	As at 31st March, 2024	As at 31st March, 2023
- Total outstanding dues of Micro Enterprises and Small Enterprises.	570.20	740.24
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	665.57	538.72
<b>Total trade payables</b>	<b>1,235.77</b>	<b>1,278.96</b>

The Company has amounts due to micro and small suppliers registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act), as at 31 March 2024. The disclosure pursuant to the said Act is as under:

Particulars	As at 31st March, 2024	As at 31st March, 2023
The principal amount remaining unpaid to any supplier as at the end of accounting year;	570.20	740.24
The interest due and remaining unpaid to any supplier as at the end of accounting year;	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	-	-
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

**Trade payable ageing schedule**

**As at March 31, 2024**

Particulars	Not due	Outstanding for the following periods from due date of payments				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>a) Undisputed trade payables</b>						
(i) MSME	4.25	560.68	5.27	-	-	570.20
(ii) Others	-	633.23	12.97	9.73	9.63	665.57
<b>b) Disputed trade payables</b>						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
	<b>4.25</b>	<b>1,193.92</b>	<b>18.25</b>	<b>9.73</b>	<b>9.63</b>	<b>1,235.77</b>

**As at March 31, 2023**

Particulars	Not due	Outstanding for the following periods from due date of payments				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>a) Undisputed trade payables</b>						
(i) MSME	4.25	735.99	-	-	-	740.24
(ii) Others	-	491.30	25.81	9.38	12.23	538.72
<b>b) Disputed trade payables</b>						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
		<b>1,227.29</b>	<b>25.81</b>	<b>9.38</b>	<b>12.23</b>	<b>1,278.96</b>

**Veto Switchgears and Cables Limited**  
Notes to standalone financial statements for the year ended 31st March, 2024

**Note 26 : Lease liabilities**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Lease Liabilities (Refer note 49)	26.01	10.60
	26.01	10.60

**Note 27 : Other financial liabilities**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Current</b>		
Unpaid Dividend (Refer Note below)	3.63	6.41
Payable to employee	108.47	98.52
<b>Total other financial liabilities</b>	<b>112.10</b>	<b>104.93</b>

Note: The unpaid dividend includes Rs 1.44 lakhs, Rs.1.15 lakhs , Rs. 0.61 lakhs and 0.43 Lakh in relation to interim and/ or final dividends declared by the company for FY 2016-17, 2020-21,2021-22 and FY 2022-23 respectively against which claims have not been made. The amounts against the same have been set aside and deposited in separate scheduled bank accounts by the company in compliance with section 124 of the Companies Act 2013.

**Note 28 : Other current liabilities**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred Revenue*	67.95	57.47
Statutory dues payable	126.35	207.25
Other Payable	49.84	61.83
	<b>244.14</b>	<b>326.55</b>

\* A provision is recognised for expected warranty claims on products sold during the years, based on past experience of the level of repairs and returns. Assumptions used to calculate the provisions for warranties were based on current sales levels and current information available about returns based warranty period for all products sold.

**Note 29 : Provisions**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for gratuity	16.83	16.31
	<b>16.83</b>	<b>16.31</b>

**Note 30 : Income Tax Liabilities (Net)**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for tax (net of advance tax & TDS)	61.62	122.93
	<b>61.62</b>	<b>122.93</b>

**(a) Income Tax Expense**

Particulars	2023-24	2022-23
<b>Current tax expense (A)</b>		
Current year	1,003.64	757.99
Short/(Excess) provision of earlier years	45.67	118.71
	1,049.30	876.69
<b>Deferred tax expense (B)</b>		
Origination and reversal of temporary differences	(73.73)	(53.44)
	(73.73)	(53.44)
<b>Tax expense recognised in the income statement (A+B)</b>	<b>975.58</b>	<b>823.27</b>

**(b) Amounts recognised in other comprehensive income**

Particulars	2023-24			2022-23		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurements of the defined benefit plans	6.66	(1.71)	4.95	6.95	(1.78)	5.17
<b>Total</b>	<b>6.66</b>	<b>(1.71)</b>	<b>4.95</b>	<b>6.95</b>	<b>(1.78)</b>	<b>5.17</b>

**Veto Switchgears and Cables Limited**  
Notes to standalone financial statements for the year ended 31st March, 2024

**(c) Reconciliation of effective Tax Rate**

Particulars	2023-24	2022-23
Profit before tax	4,023.38	3,108.05
Tax using the Company's domestic tax rate (25.17%)	1,012.60	782.23
<b>Tax effect of :</b>		
Tax of earlier year	45.67	118.71
Tax effect on non-deductible expenses	10.28	10.30
Tax effect of deductions	(55.84)	(54.36)
Others	(37.14)	(33.63)
	<b>975.58</b>	<b>823.26</b>
<b>Tax expense as per Statement of Profit &amp; Loss</b>	975.58	823.27
Effective tax rate	24.25%	26.49%

**Note 31 : Revenue from operation**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Sale of Products *	20,955.45	19,606.47
<b>Total Revenue from Operations</b>	<b>20,955.45</b>	<b>19,606.47</b>

**\* Details of Products Sold**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
<b>Finished Goods</b>		
Accessories & Others	4,635.28	4,214.45
Wire & Cables	6,328.76	6,144.88
	<b>10,964.04</b>	<b>10,359.34</b>
<b>Traded Goods</b>		
Accessories & Others	580.55	346.86
Wire & Cables	938.88	174.28
Lighting & Fittings	8,471.99	8,725.99
	<b>9,991.41</b>	<b>9,247.13</b>
	<b>20,955.45</b>	<b>19,606.47</b>

**Timing of revenue recognition**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Goods transferred over point of time	20,955.45	19,606.47
	<b>20,955.45</b>	<b>19,606.47</b>

**Contract balances**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade receivables	9,266.87	8,556.26
	<b>9,266.87</b>	<b>8,556.26</b>

**Note 32 : Other income**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Interest Income	294.12	310.57
Profit on sale of fixed assets	1.07	0.15
Dividend received from wholly owned foreign subsidiary	1,451.19	827.96
Rental income on Investment Property	102.44	90.11
Gain / (loss) on Foreign Exchange Fluctuations (Net)	210.34	39.67
Miscellaneous Income	2.16	20.22
<b>Total other income</b>	<b>2,061.32</b>	<b>1,288.68</b>

**Note 33 : Cost of materials consumed**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Opening stock	633.67	801.66
Add: Purchases	7,837.59	6,959.15
Less: Closing stocks	428.55	633.67
	<b>8,042.70</b>	<b>7,127.14</b>
Packing material consumed	315.32	327.41
<b>Total Cost of Materials Consumed</b>	<b>8,358.02</b>	<b>7,454.56</b>

\* Purchases are stated net of discounts and rate difference.

**Veto Switchgears and Cables Limited**  
Notes to standalone financial statements for the year ended 31st March, 2024

**Details of Material Consumed**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Copper	4,294.74	4,075.78
Aluminium	115.25	118.20
PVC Compound	425.71	372.38
Others	3,522.33	2,888.20
	<b>8,358.02</b>	<b>7,454.56</b>

**Details of Inventory**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Copper	128.82	47.11
Aluminium	3.59	4.46
PVC Compound	35.16	34.01
Others	260.98	548.07
	<b>428.55</b>	<b>633.67</b>

**Note 34 : Purchases of stock-in-trade**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Purchase of stock in trade	7,515.37	6,796.14
<b>Total</b>	<b>7,515.37</b>	<b>6,796.14</b>

**Note 35 : Changes in inventories of finished goods and stock in trade**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
<b>Finished goods</b>		
Opening stock		
- Accessories & Others	1,257.22	1,325.37
- Wire & Cables	771.56	717.94
	2,028.79	2,043.32
Closing stock		
- Accessories & Others	1,702.43	1,257.22
- Wire & Cables	1,126.86	771.56
	2,829.29	2,028.79
<b>Changes in inventories of finished goods (A)</b>	<b>(800.51)</b>	<b>14.53</b>
<b>Stock in trade</b>		
Opening stock		
- Accessories & Others	251.65	168.42
- Wire & Cables	152.89	157.13
- Lighting & Fittings	3,597.09	3,697.77
	4,001.62	4,023.32
Closing stock		
- Accessories & Others	259.00	251.65
- Wire & Cables	391.50	152.89
- Lighting & Fittings	3,005.75	3,597.09
	3,656.24	4,001.62
<b>Changes in inventories of stock in trade (B)</b>	<b>345.38</b>	<b>21.70</b>
<b>Total Changes in inventories of finished goods and stock in trade (A+B)</b>	<b>(455.12)</b>	<b>36.23</b>

**Note 36 : Employee benefits expense**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Salary, wages and other allowances	943.61	972.31
Directors Remuneration	54.00	54.00
Gratuity Expense	19.98	19.37
Contribution to provident fund and other funds	37.27	40.29
Staff welfare expenses	30.66	26.10
<b>Total employee benefits expense</b>	<b>1,085.51</b>	<b>1,112.08</b>

**Note 37 : Finance costs**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
<b>Interest expense to:</b>		
Banks	181.25	323.14
Others	25.94	34.35
Lease liabilities as per IND AS 116	4.58	3.48
Other Borrowing Cost	47.54	19.93
<b>Total finance costs</b>	<b>259.31</b>	<b>380.89</b>

**Veto Switchgears and Cables Limited**  
Notes to standalone financial statements for the year ended 31st March, 2024

**Note 38 : Depreciation and amortisation expense**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Depreciation on tangible assets	152.84	165.23
Amortisation on Right of Use assets	35.55	41.85
Depreciation on Investment Property	24.75	26.01
<b>Total depreciation and amortisation expense</b>	<b>213.13</b>	<b>233.09</b>

**Note 39 : Other expenses**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
<b>Manufacturing expenses</b>		
Consumption of :		
- Consumable & stores	0.93	0.04
- Power & fuel	25.39	48.32
Job Charges	174.31	66.00
Repairs & Maintenance :		
- Plant & machinery	38.77	11.15
- Factory building	0.25	0.31
Freight & transportation	5.96	1.84
Other factory expenses	32.86	38.52
	<b>278.46</b>	<b>166.18</b>
<b>Administration, Selling and Distribution expenses</b>		
Rent (Refer note no 49)	56.84	82.95
Insurance	36.92	15.46
Rates & taxes	1.74	5.50
Repairs & maintenance		
- Others	28.40	28.10
Legal and professional fees	79.57	66.89
Auditor's remuneration *	5.78	5.50
Travelling & conveyance	295.10	275.35
Communication costs	6.68	7.08
Printing & stationery	17.86	12.27
Water & electricity charges	62.60	42.48
Commission	261.60	243.34
Advertising & sales promotion	247.83	276.98
Transportation, freight & handling charges	442.25	402.18
Expenditure on CSR activities	61.54	30.69
Provision for expected credit loss	89.85	72.34
Miscellaneous expenses	44.16	40.81
<b>Total other expenses</b>	<b>2,017.17</b>	<b>1,774.11</b>

**\* Payment to Auditor includes**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Audit fees	4.95	4.85
Others	0.83	0.65
	<b>5.78</b>	<b>5.50</b>

**Note 40 : Earnings per equity share :**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
i) Weighted average number of Equity Share of Rs. 10 each		
a) Number of shares at the beginning of the year (In Lakhs)	191.15	191.15
b) Number of shares at the end of the year (In Lakhs)	191.15	191.15
c) Weighted average number of Share outstanding during the year (In Lakhs)	191.15	191.15
ii) Net profit after tax available for equity shareholders	3,047.80	2,284.79
iii) Basic Earnings per Share	15.94	11.95
iv) Dilutive Earnings per Share	15.94	11.95

**Note 41 : Contingent liabilities disclosures as required under Indian Accounting Standard 37, "Provisions, Contingent Liabilities and Contingent Assets" are given below:**

**a) Contingent liabilities :-**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>i) Guarantees</b>		
Bank Guarantee	3.47	3.47
<b>ii) Disputed demands- Income- Tax</b>		
Disputed demands in respect of Income- Tax	269.42	121.16
	<b>272.89</b>	<b>124.63</b>

**Veto Switchgears and Cables Limited**  
**Notes to standalone financial statements for the year ended 31st March, 2024**

**b) Commitments :-**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Estimated amount of contracts remaining to be executed on capital account for property, plant & equipment (net of advances)	120.00	-
	120.00	-

**Note 42 : Investment in subsidiaries, associates and joint ventures**

(a) These financial statement are separate financial statements prepared in accordance with Ind AS-27 "Separate Financial Statements".

(b) The Company's investments in direct subsidiaries are as under:

Name of the subsidiaries	Country of incorporation	Portion of ownership interest as at 31 March 2024	Portion of ownership interest as at 31 March 2023	Method used to account for the investment
Veto Electricals Private Limited	India	100%	100%	At Cost
Vankon Modular Private limited	India	95.50%	95.50%	At Cost
Veto Led Lighting Private Limited	India	100%	100%	At Cost
Veto Overseas Private FZE*	Dubai	0%	100%	At Cost

(c) During the Year Ended March 31, 2024 ,the company has lost control over its own subsidiary company Veto overseas private SEZ. An amount of AED 64,75,000 has received on dated 13th March 2024 against cessation of investment.

**Note 43 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'**

**A - Defined benefit obligations - Gratuity (Funded)**

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

I) Assumptions :

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

a) Financial Assumptions

Particulars	As at 31st March, 2024	As at 31st March, 2023
Expected rate of future salary increase	7.00%	7.00%
Discount Rate	7.20%	7.40%
Attrition Rate	20% at younger ages reducing to 1% at older ages	20% at younger ages reducing to 1% at older ages
Normal retirement age (in years)	58 Years	58 Years

b) Demographic Assumptions

Mortality in service : Indian Assured Lives Mortality (2012-14) Table

II) Table showing change in present value of defined benefit obligation:

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Present value of obligation as at the beginning of the year:	82.43	98.25
Interest cost	5.81	6.45
Current service cost	16.32	16.78
Benefits paid	(2.73)	(29.62)
Actuarial (Gain) / loss on obligation - due to change in Domestic assumptions	-	-
Actuarial (Gain) / loss on obligation - due to change in financial assumptions	1.22	(3.15)
Actuarial (Gain) / loss on obligation - due to experience	(8.17)	(6.27)
Closing Present value of obligation as at the end of the year	94.88	82.43

**Veto Switchgears and Cables Limited**  
**Notes to standalone financial statements for the year ended 31st March, 2024**

III) Changes in Plan Assets

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Opening value of plan assets	24.88	52.34
Interest Income	2.16	3.86
Return on plan assets excluding amounts included in interest income	(0.29)	(2.47)
Contributions by employer	-	2.45
Benefits paid	(1.23)	(31.31)
Closing value of plan assets	25.51	24.88

III) Amount recognized in the Balance Sheet:

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Present value of obligation as at the end of the year	(94.88)	(82.43)
Fair Value of plan assets as at the end of the year	25.51	24.88
Funded status	(69.37)	(57.56)
Net Assets/ (Liability) recognized in the Balance Sheet	(69.37)	(57.56)

IV) Expenses recognized in the Statement of Profit and Loss

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Current Service Cost	16.32	16.78
Interest Cost	3.66	2.59
Total Expenses recognized in the Profit and Loss account	19.98	19.37

V) Expenses recognized in the Other Comprehensive Income (OCI)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Actuarial (Gain) / loss on obligation - due to change in financial assumptions	1.22	(3.15)
Actuarial (Gain) / loss on obligation - due to experience	(8.17)	(6.27)
Return on Plan Assets, excluding amount included in interest income	0.29	2.47
Net (Income) / Expense for the period recognised in OCI	(6.66)	(6.95)

VI) Balance Sheet Reconciliation:

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Opening Net Liability	57.56	45.90
Expenses recognized in Statement of Profit & Loss	19.98	19.37
Expenses recognized in OCI	(6.66)	(6.95)
(Benefit directly paid by the employer)	(1.50)	1.69
Employer's Contribution	-	(2.45)
Net Liability Recognised in the Balance Sheet	69.37	57.56

VII) Maturity Analysis of the Benefit Payments : From the Employer:

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Projected benefits payable in future years from the date of reporting</b>		
1st Following Year	16.35	7.82
2nd Following Year	7.69	7.35
3rd Following Year	16.96	7.03
4th Following Year	9.27	15.83
5th Following Year	7.98	8.57
Sum of Years 6 To 10	32.14	31.48



**Veto Switchgears and Cables Limited**  
**Notes to standalone financial statements for the year ended 31st March, 2024**

**VIII) Sensitivity**

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Change in Rate of Discounting</b>		
Increase by of +0.5%	91.90	79.48
% Change	-3.15%	-3.58%
Decrease by of +0.5%	98.07	85.59
% Change	3.36%	3.83%
<b>Change in Rate of Salary Increase</b>		
Increase by of +0.5%	97.87	85.51
% Change	3.15%	3.73%
Decrease by of +0.5%	92.05	79.54
% Change	-2.98%	-3.51%
<b>Change in Rate of Employee Turnover</b>		
Increase by of +10%	94.82	82.15
% Change	-0.07%	-0.34%
Decrease by of +10%	94.91	82.69
% Change	0.03%	0.31%

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

**[B] Current/ non-current classification**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Gratuity		
Current	16.83	16.32
Non-current	52.54	41.23
	69.37	57.56

**[C] Defined Contribution Plans**

Particulars	As at 31st March, 2024	As at 31st March, 2023
The Company has recognised the following amounts in the Statement of Profit and Loss for the year:		
(i) Contribution to provident fund	31.42	33.42
(ii) Contribution to ESIC	5.85	6.87
	37.27	40.29

**Note 44 : Segment reporting as required under Indian Accounting Standard 108, "Operating Segments"**

**Identification of Segments:**

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

**Operating Segments**

Wire and Cables  
 Lighting & Fittings  
 Accessories & Others

**Segment revenue and results:**

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

**Segment assets and Liabilities:**

Segment assets include all operating assets used by the operating segment and mainly consist of inventory. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

Veto Switchgears and Cables Limited

Notes to standalone financial statements for the year ended 31st March, 2024

(a) Summary of segment information as at and for the year ended 31st March,2024 and 31st March,2023 is as follows:

(Rs. In Lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>Segment Revenue</b>		
Wire & Cables	7,267.63	6,319.16
Lighting & Fittings	8,472.28	8,752.16
Accessories & Others	5,215.54	4,535.15
<b>Total Revenue</b>	<b>20,955.45</b>	<b>19,606.47</b>
<b>Segment Results</b>		
Wire & Cables	1,535.31	1,381.41
Lighting & Fittings	1,992.46	2,459.49
Accessories & Others	1,669.70	1,199.98
	<b>5,197.47</b>	<b>5,040.88</b>
Less : Unallocable Expenses	2,762.96	2,607.52
Less : Depreciation	213.13	233.09
<b>Operating Profit</b>	<b>2,221.38</b>	<b>2,200.27</b>
Less : Finance Cost	259.31	380.89
Add : Other Income	2,061.32	1,288.68
<b>Profit Before Tax</b>	<b>4,023.38</b>	<b>3,108.05</b>
Less : Tax expense (Net)	975.58	823.26
<b>Profit After Tax</b>	<b>3,047.80</b>	<b>2,284.79</b>
Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Segments Assets</b>		
Wire & Cables	1,685.93	1,010.04
Lighting & Fittings	3,005.75	3,677.09
Accessories & Others	2,222.41	1,976.95
Unallocated	20,440.71	19,462.05
<b>Total Capital Employed</b>	<b>27,354.80</b>	<b>26,126.12</b>
<b>D. Segments Liabilities</b>		
Wire & Cables	176.04	141.99
Lighting & Fittings	485.63	581.68
Accessories & Others	455.57	385.10
Unallocated	2,317.48	3,958.85
	<b>3,434.72</b>	<b>5,067.63</b>

**Veto Switchgears and Cables Limited**

**Notes to standalone financial statements for the year ended 31st March, 2024**

**Note 45 : Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:**

a) Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships where all parties are disclosed)

<b>Nature of relationship</b>	<b>Nature of the party</b>
<b>(i) Key Managerial Personnel</b>	
Managing Director & Chief Executive Officer	Akshay Gurnani
Whole time Director & Chief Financial Officer	Naraindas Gurnani
Director	Jyoti Gurnani
Company Secretary Cum Compliance Officer (Up to 31 January 2024)	Varsha Rane Choudhary
Company Secretary Cum Compliance Officer (with effect from 01st February 2024)	Kritika Todwal
<b>(ii) Relative of Director</b>	Pushpa Devi Gurnani Dinesh Gurnani
<b>(iii) Subsidiary Companies</b>	Veto Electricals Private Limited Veto Led Lighting Private Limited Veto Overseas Private FZE (Up to 13th March 2024) Vankon Modular Private Limited
<b>(iv) Entity of which the company is an associate</b>	Veto Electropower (India) Private Limited
<b>(v) Enterprises owned or significantly influenced by KMP and / or their relatives</b>	Vimal Power Cables Private Limited Kripa Realmart Private Limited V1 Infradevelopers Private Limited Tulsi Palace Resort Private Limited Anjali Packaging Pink Square Infra Developers Private Limited Gurnani Inn Private Limited Veto Polymers and Metals (Partnership Firm) Gurnani Infra Developers Private Limited Gurnani Hotels Private Limited Pink Square Real Estate Private Limited Jai Electricals (Partnership Firm)

b) Transactions carried out with related parties referred to above, in ordinary course of business and balances outstanding:

<b>Name of Party</b>	<b>Nature of Transaction</b>	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
Akshay Gurnani	Remuneration	36.00	36.00
	Sales (Net)	0.02	0.02
	Reimbursement of Travelling expenses	-	5.41
Naraindas Gurnani	Remuneration	12.00	12.00
Jyoti Gurnani	Remuneration	6.00	6.00
Varsha Rane Choudhary	Salary paid	3.28	3.43
Kritika Todwal	Salary paid	0.67	-
Pushpa Devi Gurnani	Salary paid	6.00	6.00
Dinesh Gurnani	Sales (Net)	2.12	0.11
Veto Electricals Private Limited	Interest Income	91.21	103.66
	Loan Granted	1,623.60	1,109.55
	TDS on Interest income	9.57	11.52
	Loan Received Back	1,695.26	1,607.00
Veto Led Lighting Private Limited	Sales (Net)	0.07	0.03
	Interest Income	101.33	50.83
	TDS on Interest income	10.13	5.65
	Loan Granted	357.83	408.19
Veto Overseas Private FZE	Loan Received Back	1.44	3.75
	Dividend Income	1,451.19	827.96
	Proceeds from Derecognised Investment	1,249.17	-
Vankon Modular Private Limited	Loan Granted	1,643.02	1,443.69
	Loan Received Back	1,192.10	1,721.80
	TDS Deducted on Interest income	8.15	12.92
	Interest Income	81.46	116.25
	Sales (Net)	68.33	326.16
Veto Electropower (India) Private Limited	Purchase (Net)	36.92	373.38
	Rent Expense	1.44	1.44
Vimal Power Cables Private Limited	Rent Expense	3.00	3.31
Kripa Realmart Private Limited	Rent Expense	6.60	6.60
V1 Infradevelopers Private Limited	Rent Income	96.00	84.00
	Sales (Net)	0.42	1.63
Tulsi Palace Resorts Private Limited	Sales (Net)	0.08	36.37
Anjali Packaging	Purchase of Packing Material	0.75	0.50
Pink Square Infra Developers Private Limited	Rent Expense	1.20	1.20
Gurnani Infra Developers Private Limited	Rent Expense	1.26	1.31
	Sales (Net)	0.10	-
Gurnani Hotels Private Limited	Sales (Net)	2.83	2.90
Pink Square Real Estate Private Limited	Sales (Net)	0.30	0.82
Jai Electricals	Sales (Net)	9.63	7.09

**Veto Switchgears and Cables Limited**  
Notes to standalone financial statements for the year ended 31st March, 2024

**c.) Balance Outstanding of Related Parties :**

Name of Party	Receivable / Payable	As at 31st March, 2024	As at 31st March, 2023
Akshay Gurnani	Remuneration Payable	0.50	2.00
Naraindas Gurnani	Remuneration Payable	0.50	0.65
Jyoti Gurnani	Remuneration Payable	0.44	0.44
Varsha Rane Choudhary	Salary Payable	-	0.46
Pushpa Devi Gurnani	Salary Payable	0.46	0.46
Dinesh Gurnani	Trade receivable	2.81	0.30
Veto Electrical Private Limited	Loans Receivable	821.72	811.74
	Trade receivable	0.17	0.10
Veto Led Lighting Private Limited	Loans Receivable	1,299.68	852.10
	Loans Receivable	1,510.00	985.76
Vankon Modular Pvt Ltd	Trade Receivable	25.87	0.30
	Trade Payable	-	11.27
Veto Electropower (India) Private Limited	Rent payable	9.93	7.96
Vimal Power Cables Private Limited	Rent payable	-	6.48
	Trade payable	-	9.06
V1 Infradevelopers Private Limited	Other Receivable (Rent receivable)	350.08	266.19
	Trade Receivable	1.70	1.19
Tulsi Palace Resort Private Limited	Trade Receivables	0.07	-
Anjali Packaging	Trade payable	0.20	0.21
Gurnani Inn Private Limited	Advance taken	0.22	0.22
Veto Polymers and Metals	Trade receivable	0.19	0.19
Gurnani Infra Developers Private Limited	Other payable	0.02	-
Gurnani Hotels Private Limited	Trade Receivable	0.28	0.62
Pink Square Real Estate Private Limited	Trade Receivable	0.15	-
Jai Electricals	Trade Receivable	12.95	11.02

The above figures of remuneration and salary does not include provisions for gratuity as the same is determined at the company level and is not possible to determine for select individuals.

**Note 46 : Disclosure with regards to section 186 of the Companies Act, 2013**

During the year, the Company has granted Unsecured loan to its Subsidiary Companies for General Corporate Purposes. Details as stated below :

Name of the Subsidiary	As at 31st March, 2024	As at 31st March, 2023	Interest Rate
Veto Electricals Private Limited	821.72	811.74	8.50%
Veto Led Lighting Private Limited	1,299.68	852.10	8.50%
Vankon Modular Private Limited	1,510.00	985.76	8.50%
<b>TOTAL</b>	<b>3,631.40</b>	<b>2,649.59</b>	

For Investment :- Refer Note no. 7

**Note 47 : Expenditure on Corporate Social Responsibility Activities**

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013.

**Details of CSR Expenditure:**

Particulars	As at 31st March 2024	As at 31st March 2023
Unspent / (Excess) Amount at the beginning of the year	(0.07)	(20.02)
Gross amount required to be spent by the Company during the year	56.20	45.95
Amount spent during the year	61.54	26.00
Unspent / (Excess) Amount at the end of the year	(5.41)	(0.07)
Reason for shortfall	NA	NA
Nature of CSR Activities*	Refer Note below	Refer Note below
a) Construction / acquisition of any assets	-	-
b) On purpose other than a) above	61.54	26.00

Nature of CSR activities are majorly into promoting education, healthcare and empowerment of socially backward.

**C.I.F. Value of Imports, Expenditure and Earnings in Foreign Exchange**

Particulars	As at 31st March 2024	As at 31st March 2023
<b>C.I.F. Value of Imports</b>		
Trading goods	-	309.62
<b>Earnings in Foreign Exchange</b>		
Export Sales – FOB	101.20	137.23
Dividend Income	1,451.19	827.96

**Note 49: Leases**

Following are the changes in the carrying value of right of use assets :

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening balance	23.97	93.61
Addition	46.42	-
Deletion	-	27.79
Depreciation	35.55	41.85
<b>Closing balance</b>	<b>34.84</b>	<b>23.97</b>

The following is the break-up of current and non-current lease liabilities :

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current lease liabilities	26.01	10.60
Non-Current lease liabilities	17.51	18.01
	<b>43.52</b>	<b>28.60</b>

The following is the movement in lease liabilities:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening balance	28.60	91.05
Addition during the year	46.42	-
Deletion during the year	-	(24.31)
Payment of lease liabilities	(31.51)	(38.14)
<b>Closing balance</b>	<b>43.52</b>	<b>28.60</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis :

Particulars	As at 31st March, 2024	As at 31st March, 2023
- Less than one year	17.51	18.01
- Later than one year but not later than five years	26.01	10.60
- Later than five years	-	-

Rental expense recorded for short-term leases was Rs. 56.84 lakhs (PY 82.95 lakhs)

**Veto Switchgears and Cables Limited**  
Notes to standalone financial statements for the year ended 31st March, 2024

**Note 50 : Financial instruments – Fair values and risk management**

The fair value of the financial assets are included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

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

(a) Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments

(b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

**A. Accounting classification and fair values**

(Rs. In Lakhs)

The carrying value and fair value of financial instruments by categories as at 31st March 2024 were as follows:

Particulars	Non Current	Current	Total	Financial assets/ liabilities at fair value through profit or loss				Financial assets/ liabilities at fair value through OCI				Amortised cost	Total	
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total			
<b>Financial assets</b>														
Trade receivables	-	9,266.87	9,266.87	-	-	-	-	-	-	-	-	9,266.87	9,266.87	
Investments	2,686.78	-	2,686.78	-	-	-	-	-	-	-	-	2,686.78	2,686.78	
Loans	3,631.40	-	3,631.40	-	-	-	-	-	-	-	-	3,631.40	3,631.40	
Cash and Cash Equivalents	-	707.21	707.21	-	-	-	-	-	-	-	-	707.21	707.21	
Bank Balances other than Cash and Cash Equivalents	-	39.21	39.21	-	-	-	-	-	-	-	-	39.21	39.21	
Other Financial Assets (Current & Non-current)	123.74	385.08	508.82	-	-	-	-	-	-	-	-	508.82	508.82	
<b>Financial liabilities</b>														
Borrowings (Current & Non-current)	203.31	1,059.26	1,262.56	-	-	-	-	-	-	-	-	1,262.56	1,262.56	
Lease liabilities	17.51	26.01	43.52	-	-	-	-	-	-	-	-	43.52	43.52	
Trade payables	-	1,235.76	1,235.76	-	-	-	-	-	-	-	-	1,235.76	1,235.76	
Other Financial Liabilities (Current & Non-current)	405.63	112.10	517.73	-	-	-	-	-	-	-	-	517.73	517.73	

The carrying value and fair value of financial instruments by categories as at 31st March 2023 were as follows:

(Rs. In Lakhs)

Particulars	Non-Current	Current	Total	Financial assets/ liabilities at fair value through profit or loss				Financial assets/ liabilities at fair value through OCI				Amortised cost	Total	
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total			
<b>Financial assets</b>														
Trade receivables	-	8,556.26	8,556.26	-	-	-	-	-	-	-	-	8,556.26	8,556.26	
Investments	3,935.95	-	3,935.95	-	-	-	-	-	-	-	-	3,935.95	3,935.95	
Loans	2,649.59	-	2,649.59	-	-	-	-	-	-	-	-	2,649.59	2,649.59	
Cash and Cash Equivalents	-	375.68	375.68	-	-	-	-	-	-	-	-	375.68	375.68	
Bank Balances other than Cash and Cash Equivalents	-	6.41	6.41	-	-	-	-	-	-	-	-	6.41	6.41	
Other Financial Assets (Current & Non-current)	205.04	266.19	471.23	-	-	-	-	-	-	-	-	471.23	471.23	
<b>Financial liabilities</b>														
Borrowings (Current & Non-current)	1,034.09	1,693.39	2,727.49	-	-	-	-	-	-	-	-	2,727.49	2,727.49	
Lease liabilities	18.01	10.60	28.60	-	-	-	-	-	-	-	-	28.60	28.60	
Trade payables	-	1,278.96	1,278.96	-	-	-	-	-	-	-	-	1,278.96	1,278.96	
Other Financial Liabilities (Current & Non-current)	420.62	104.93	525.55	-	-	-	-	-	-	-	-	525.55	525.55	

**B. Fair Value Hierarchy.**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

C. The Company has not disclosed the fair values for financial instruments for loans (non current), other non current financial assets, trade receivables, cash and cash equivalents and bank balances other than cash and cash equivalents, Borrowings (current and non current), Trade payables, other current financial liabilities because their carrying amounts are reasonably approximation of fair value.

**Note 50 : Financial instruments – Fair values and risk management (Continue..)**

**Financial Risk Management**

**i. Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

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

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

The risks that could have significant influence on the Company are market risk, credit risk and liquidity risk.

**a) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

**(i) Trade and other receivables from customers**

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Company's historical experience for customers.

**Ageing of Accounts receivables :**

(Rs. In Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Not Due		
0 - 6 months	7,887.76	7,559.53
6 - 12 months	635.50	755.86
Beyond 12 months	327.42	532.87
Less Allowance for doubtful debts	8.51	8.51
Less Allowance for expected credit loss	614.21	524.36
<b>Total</b>	<b>8,227.96</b>	<b>8,315.39</b>

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

**Movements in provision of doubtful debts/other receivables and expected credit loss :**

(Rs. In Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<u>Provision for Doubtful debts</u>		
Opening provision	8.51	8.51
Add : additional allowance made / (reversed)	-	-
	8.51	8.51
<u>Expected Credit Loss</u>		
Opening provision	524.36	452.02
Add : additional allowance made / (reversed)	89.85	72.34
<b>Balance at the end of the year</b>	<b>614.21</b>	<b>524.36</b>

**Veto Switchgears and Cables Limited**  
**Notes to standalone financial statements for the year ended 31st March, 2024**

**ii) Cash and cash equivalents and other bank balances**

The Company held cash and cash equivalents and other bank balances amounting to Rs. 707.21 Lakhs and Rs. 39.21 Lakhs respectively (March 31, 2023: Rs. 375.68 Lakh and 6.41 Lakhs respectively). The cash and cash equivalents are held with bank with good credit ratings and financial institution counterparties with good market standing.

**b) Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low

**Maturity profile of financial liabilities**

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(Rs. In Lakhs)

As at March 31st, 2024	On Demand	Less than 1 year	1 to 5 years	Total
Borrowings	-	1,059.26	203.31	1,262.56
Trade payables	-	1,235.76	-	1,235.76
Lease liabilities	-	26.01	17.51	43.52
Other financial liabilities	-	112.10	405.63	517.73
	-	<b>2,433.13</b>	<b>626.45</b>	<b>3,059.57</b>

(Rs. In Lakhs)

As at March 31st, 2023	On Demand	Less than 1 year	1 to 5 years	Total
Borrowings	1,664.94	28.4	1,034.1	2,727.5
Trade payables	-	1,279.0	-	1,279.0
Lease liabilities	-	10.6	18.0	28.6
Other financial liabilities	-	104.9	420.6	525.5
	<b>1,664.94</b>	<b>1,422.9</b>	<b>1,472.7</b>	<b>4,560.6</b>

**c) Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and investments in securities.

**i. Currency risk**

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Our exposure are mainly denominated in U.S. dollars and Arab Emirates Dirham. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Company has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

Amount in Foreign currency

Particulars	31st March, 2024	31st March, 2023
	AED	AED
<b>Financial Asset</b>		
Trade Receivables	3,99,159	2,95,433
<b>Exposure for assets (a)</b>	<b>3,99,159</b>	<b>2,95,433</b>
<b>Financial Liabilities</b>		
<b>Exposure for liabilities (b)</b>	-	-
<b>Net exposure (a-b)</b>	<b>3,99,159</b>	<b>2,95,433</b>

(Rs. In Lakhs)

Particulars	31st March, 2024	31st March, 2023
	AED	AED
<b>Financial Asset</b>		
Trade Receivables	90.61	66.18
<b>Exposure for assets (a)</b>	<b>90.61</b>	<b>66.18</b>
<b>Financial Liabilities</b>		
<b>Exposure for liabilities (b)</b>	-	-
<b>Net exposure (a-b)</b>	<b>90.61</b>	<b>66.18</b>



**Sensitivity analysis**

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars and AED at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

**Impact of movement on Profit or (loss) and Equity :**

(Rs. In Lakhs)

Effect in INR (before tax)	As at 31st March, 2024		As at 31st March, 2023	
	Profit or (loss) and Equity		Profit or (loss) and Equity	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
AED	(0.91)	0.91	(0.66)	0.66
	(0.91)	0.91	(0.66)	0.66

**ii) 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 is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

**Exposure to interest rate risk**

Company's interest rate risk arises primarily from borrowings. The interest rate profile of the Company's interest-bearing financial instruments is as follows.

(Rs. In Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Variable rate borrowings	1,000.00	2,664.94
Fixed rate borrowings	262.56	62.54
	1,262.56	2,727.49

**Cash flow sensitivity analysis for variable-rate instruments**

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates :

(Rs. In Lakhs)

Cash flow sensitivity (net)	Profit or (loss)	
	50 bp increase	50 bp decrease
<b>31st March 2024</b>		
Variable-rate loan instruments	(5.00)	5.00
<b>Cash flow sensitivity (net)</b>	<b>(5.00)</b>	<b>5.00</b>
<b>31st March 2023</b>		
Variable-rate loan instruments	(13.32)	13.32
<b>Cash flow sensitivity (net)</b>	<b>(13.32)</b>	<b>13.32</b>

**Veto Switchgears and Cables Limited**  
**Notes to standalone financial statements for the year ended 31st March, 2024**

**iii) Other price risk**

The Company is not exposed to the other price risk.

**Note 51 : Capital Management**

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. Management monitors the return on capital as well as the debt equity ratio and make necessary adjustments in the capital structure for the development of the business. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day - to - day needs. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

(Rs. In Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total debts	1,262.56	2,727.49
Total equity	23,920.08	21,058.49
<b>Total debts to equity ratio (Gearing ratio)</b>	<b>5.28%</b>	<b>12.95%</b>

Note : For the purpose of computing debt to equity ratio, equity includes Equity share capital and Other Equity and Debt includes Long term borrowings, Short term borrowings and current maturities of long term borrowings.

**Note 52 : ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III TO THE COMPANIES ACT, 2013**

- 1 The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- 2 The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- 3 The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- 4 Utilisation of borrowed funds and share premium
  - I The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
    - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
    - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
  - II The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
    - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
    - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- 5 There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- 6 The Company has not traded or invested in crypto currency or virtual currency during the year.
- 7 The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

**Note 53 :** For financial year 2023-24, the Board recommended a final dividend of Re.1/- (par value of Rs. 10/- each) per equity share. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company. The Company has paid a final dividend of Re.1/- (par value of Rs. 10/- each) per equity share for financial year 2022-23 as per approval of shareholders in the Annual General Meeting (AGM) of the Company.

**Veto Switchgears and Cables Limited**  
**Notes to standalone financial statements for the year ended 31st March, 2024**

**Note 55** : Previous year's figure's have been re-grouped, re-arranged & re-classified, wherever considered necessary, to confirm the current period figures.

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As per our report of even date attached

**For C A S & Co**  
Chartered Accountants  
**Firm Registration No. 111075W**

**For and on behalf of the Board**  
Veto Switchgears and Cables Limited

**Sajjan Kanodia**  
Partner  
Membership No. : 048047

**Akshay Kumar Gurnani**  
Managing Director & CEO  
(DIN : 06888193)

**Narain Das Gurnani**  
Whole Time Director & CFO  
(DIN : 01970599)

**Kritika Todwal**  
Company Secretary

Place: Mumbai  
Date: May 29, 2024

Place: Jaipur  
Date: May 29, 2024

**Veto Switchgears and Cables Limited**  
**Notes to standalone financial statements for the year ended 31st March, 2024**

**Note 54 : The following are analytical ratios for the year ended March 31, 2024 and March 31, 2023**

Sr.No.	Particulars	Numerator	Denominator	31st March 2024	31st March 2023	Variance %	Reasons for variance
1	Current Ratio	Current assets	Current liabilities	6.51	4.66	39.77	The ratio has impacted mainly because of Decrease in Current liabilities
2	Debt – Equity Ratio	Total Debt	Shareholder's Equity	0.05	0.13	(58.28)	The ratio has impacted improved because repayments of outstanding borrowing and interest on the same.
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	0.09	0.10	(6.17)	-
4	Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	0.14	0.11	18.61	-
5	Inventory turnover ratio	Cost of goods sold or sales	Average inventory	3.05	2.86	6.74	-
6	Trade receivables turnover ratio	Revenue	Average Trade Receivable	2.35	2.46	(4.25)	-
7	Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	13.98	13.99	(0.06)	-
8	Net capital turnover ratio	Revenue	Working Capital	1.52	1.61	(5.70)	-
9	Net profit ratio	Net Profit	Revenue	0.13	0.11	21.02	-
10	Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	0.17	0.15	15.88	-
11	Return on Investment(ROI)	Income generated from investments	Time weighted average investments	50.18%	22.04%	127.62	The ratio has impacted mainly because of redemption of investment and increase in Dividend Income

<sup>1</sup> **Earnings available for debt service** = Net profit after tax + finance costs + depreciation & amortisation expense + loss on sale of fixed assets

<sup>2</sup> **Debt Service** = Interest & lease payments + principal payments

<sup>3</sup> **Cost of Goods Sold** = Cost of materials consumed + Purchases of stock-in-trade + Changes In inventories of finished goods (incl. stock-in-trade) and work-in-progress

<sup>4</sup> **Working Capital** = Total Current Assets - Total Current Liabilities

<sup>5</sup> **Capital Employed** = Tangible Network<sup>6</sup> + Total debt + Deferred Tax liability

<sup>6</sup> **Tangible Network** = Total assets - Total liabilities - Intangible assets

<sup>7</sup> **Total Debt** = Borrowings + Lease Liabilities

<sup>8</sup> **Net profit** = Profit after tax

Progress at a Glance of Last 10 Years- Veto Switchgears and Cables Limited (Standalone)										Rs. In Lakhs	
Particulars	I GAAP							IND AS			
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Gross Sales/ Revenue from Operations	9447.72	9730.22	11209.48	12033.93	12368.78	10893.31	12069.73	15265.62	17365.835	19606.47	20955.45
Other Income	87.46	53.64	78.10	444.70	604.44	663.65	564.65	271.19	1031.256	1288.68	2061.32
Total Revenue	9535.18	9783.86	11287.58	12478.628	12973.22	11556.96	12634.39	15536.81	18397.091	20895.15	23016.77
Earnings Before Interest and Tax	1027.71	1359.2	1557.80	1935.31	3212.09	1730.93	1941.6	2409.15	3399.377	3488.92	4282.69
Profit Before Tax	843.63	975.56	994.04	1534.63	2987.16	1358.16	1570.09	2234.47	3076.004	3108.03	4023.38
Profit After Tax	608.97	714.54	765.54	1218.65	2004.08	933.00	1105.57	1611.93	2269.55	2289.96	3047.80
Net Worth	6553.67	7266.33	7565.53	8989.12	12811.41	14143.87	15255.10	16881.28	18959.679	21058.49	23920.08
No. of Equity Shares	183.27	183.27	183.27	183.27	183.27	191.14	191.14	191.14	191.14	191.14	191.14
Paid up Equity to Capital	1832.71	1832.71	1832.71	1832.71	1832.71	1911.49	1911.49	1911.49	1911.49	1911.49	1911.49
Dividend Paid	0	0	366.54**	183.27	183.27	0	0	0	191.14	191.14	191.14
Book Value	35.76	39.65	41.28	49.05	69.90	74.00	79.81	88.32	99.20	110.17	124.92
EPS	3.32	3.90	4.18	6.65	10.88	4.91	5.82	8.48	11.83	11.95	15.94
Secured Loan Term Loan	605.54	600	563.75	571.02	298.95	60.00	0.00	0.00	312.39	1000.00	1000.00
Working Capital	2909.94	2834.53	3401.43	2335.6	3214.23	3717.84	2380.58	3378.40	3366.61	1693.39	0
Hire Purchase Loan	29.4	26.64	37.78	15.91	26.15	17.77	11.28	21	39.622	62.54	262.56

\* Decrease in stock

\*\*Exclusive of DDT

#### Caution regarding forward-looking statements

This document contains statements about expected future events and financial and operating results of Veto Switchgears and Cables Limited, which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Veto switchgears and Cables Limited Annual Report 2023-24.



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