

To,

08-09-2022

Department of Corporate Services,

BSE Limited,

PJ Towers,

Dalal Street, Mumbai-400001.

**Subject:Corrigendum to the Notice of 41<sup>st</sup> Annual General Meeting Scheduled to be held on 27<sup>th</sup> September 2022 .**

**Dear Sir/Madam.**

This is with reference to the Company submission to BSE dated 6<sup>th</sup> September 2022, regarding annual report of KLK Electrical Limited for the Financial year 2021-2022 .

In this regard , we want to inform you that

1. The cut-off date for E-voting purpose for the Purpose of AGM is Friday,23th September 2022, instead of 17<sup>th</sup> September 2022.
2. Mr.Ravikumar Rao should be marked as Executive Director instead of Non-executive Director in Page number 36 .

The same is Communicated to the shareholders of the Company.

Please find the revised annual report as an attachment.

Kindly take the same on record.

Thanking You,

For KLK Electrical Limited

R.Ravikumar Rao



Director

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## **KLK Electrical Limited**

Old No. 32, New No. 64, 8<sup>th</sup> Cross Street,  
West Shenoy Nagar , Chennai, 600030  
Hyd Office: Ground Floor HIG 66, Madhav Nagar,  
Phonenumber: 40 4203 9977  
Ramachandrapuram, Hyderabad, 500032

admin@klk.co.in  
CIN: L72300TN1980PLC008230

# **KLK ELECTRICAL LIMITED**

**41st  
ANNUAL GENERAL MEETING  
2021-2022**

# KLK ELECTRICAL LIMITED

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## Board of Directors

Shri R. RaviKumar Rao	Wholetime Director
Shri A. Naveen Kumar	Independent Director
Smt.J. Sujatha	Independent Director
Shri M. Durga Prasada Rao	Independent Director
Shri.U.Sreenivasa Sreekanth (Inducted on 26-05-2022)	Additional Director
Shri. Y.Ramesh Reddy (Inducted on 26-05-2022)	Additional Director
Smt.N.Srivani (Inducted on 26-05-2022)	Additional Director
Shri .G.Jayachand (Inducted on 26-05-2022)	Additional Director
Shri.A.Ravikanth (Inducted on 26-05-2022)	Additional Director

## Auditors

M/s. Anant Rao & Mallik  
Chartered Accountants  
Hyderabad

## Secretarial Auditors

M/s. Lakshmmi Subramanian & Associates No. 81 Greams Road, Chennai 600 006

## Registered Office

KLK Electricals Limited  
Plot No. 85, Shop No. 1 4th Street, Ganesh Avenue,  
Shakthi nagar, Chennai 600 116

## Share Transfer Agency

Aarathi Consultants Private Limited  
1-2-285, Domulguda  
Hyderabad-500029.  
Email: info@aarthiconsultants.com

Listing Stock Exchange — Bombay Stock Exchange

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# KLK ELECTRICAL LIMITED

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## NOTICE

Notice is hereby given that the 41st Annual General Meeting of the members of M/s. KLK Electrical Limited will be held on Tuesday, the 27th day of September, 2022 at 10:00 A.M. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following businesses:

### Ordinary Business:

1. To receive, consider and adopt the Standalone and Consolidated Audited Balance Sheets as at March 31, 2022, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Report of Auditors and Directors thereon.

### Special Business:

2. **Appointment of Mr. Sreenivasa Sreekanth Uppuluri as a Chairman & Managing Director of the Company:**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 and any other applicable provisions of the Companies Act, 2013, Provisions of SEBI (LODR) Regulations, 2015 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Sreenivasa Sreekanth Uppuluri (DIN: 01275332), who was appointed as an Additional Director and Managing Director in the board meeting held on 26.05.2022 and holds office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier be and is hereby appointed as a Director of the Company.

**"RESOLVED FURTHER THAT** pursuant to provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as may be amended from time to time and the Articles of Association of the Company and pursuant to the recommendation of the Nomination & Remuneration Committee, consent of the members be and is hereby accorded to the appointment of Mr. Sreenivasa Sreekanth Uppuluri as Chairman & Managing Director of the Company for the period of 5 years with effect from 26th August, 2022, without remuneration and he shall have the right to manage the day-to-day business and affairs of the Company subject to the superintendence, guidance, control and direction of the Board of Directors of the Company."

**"RESOLVED FURTHER THAT** Mr. Sreenivasa Sreekanth Uppuluri, as Chairman & Managing Director of the Company shall have the right to exercise such powers of Management of the Company as may be delegated to him by the Board of Directors, from time to time."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company and/or the Company Secretary of the Company be and are hereby authorized severally to take such steps as it may consider necessary, proper or expedient to give effect to the aforesaid resolution."

3. **Appointment of Mr. Y. Ramesh Reddy as Wholetime Director of the Company:**

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

**"RESOLVED THAT** based on the provisions of Section 196, 196(3), 197 and other applicable provisions of the Companies Act 2013 and the rules made thereunder including any amendment(s), Statutory modification(s) or re-enactment(s) thereof for time being in force and the Articles of association of the Company and subject to such other approvals as may be necessary, the consent of the members be and is hereby accorded for the appointment of Mr. Y. Ramesh Reddy as Whole time Director of the Company For a period of 5 years with effect from 27th September 2022 as per the applicable provisions of the Act read with rules amended from time to time ."

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

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### 4. Appointment of Mrs. N. Srivani a Non-Executive Independent Director in Woman Category of the Company:

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 Sections 149, 152, 152, 160 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee, Mrs. N. Srivani(DIN: 09556758), who was appointed as additional Director of the Company in the Independent category as Woman Director in the board meeting held on 26.05.2022 and holds office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, and the rules made thereunder, be and is hereby appointed as an Independent Director of the Company, for a term of five consecutive years with effect from 26.05.2022 to 25.05.2027 who shall not be liable to retire by rotation.”

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

### 5. Appointment of Mr. Ravikanth Andhavarapu as a Non-Executive Independent Director of the Company:

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 Sections 149, 152, 152, 160 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee, Mr. Ravikanth Andhavarapu (DIN: 08096853), who was appointed as additional Director of the Company in the Independent category in the board meeting held on 25.06.2022 and holds office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, and the rules made thereunder, be and is hereby appointed as an Independent Director of the Company, for a term of five consecutive years with effect from 26.05.2022 to 25.05.2027 who shall not be liable to retire by rotation.”

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

### 6. Appointment of Mr. Jayachand Garimella as a Non-Executive Independent Director of the Company:

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 Sections 149, 152, 152, 160 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee, Mr. Jayachand Garimella (DIN: 03053175), who was appointed as additional Director of the Company in the Independent category in the board meeting held on 26.05.2022 and holds office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, and the rules made thereunder, be and is hereby appointed as an Independent Director of the Company, for a term of five

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consecutive years with effect from 26.05.2022 to 25.05.2027 who shall not be liable to retire by rotation.”

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

## 7. Reclassification of Promoters of the Company as Public Shareholders

To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Regulation 31A and other applicable provisions, if any, of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) including any statutory modification(s) or re-enactment thereof and other applicable provisions, and subject to necessary approvals from the Stock Exchanges and other appropriate statutory authorities, as may be necessary, the consent of the members of the Company be and is hereby accorded for reclassification of the following persons (hereinafter individually and jointly referred to as 'outgoing promoters') from the "Promoter and Promoter Group" category to "Public" category”

S. No.	Name of the persons / Entity	Category	No. of Equity Shares Held	% of the total Equity Capital
1	Mr. V. Lava kumar	Promoter	96,549	1.12
2	Mr. Devi Lava kumar	Promoter	62,300	0.72
3	Mr. Karthik	Promoter	400	0.00

“**RESOLVED FURTHER THAT**, pursuant to Regulation 31A (3) sub clause (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2018, it is hereby confirmed that, the aforesaid person(s) seeking reclassification:

- together, do not hold more than 10 (ten) percent of the total voting rights in the Company;
- do not exercise control over the affairs of the Company, whether directly or indirectly;
- do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- do not have any board seat/representation on the board of directors of the Company either directly or through a nominee director;
- have never act as a key managerial person in the Company;
- are not a 'wilful defaulter' as per the Reserve Bank of India guidelines; and
- are not a fugitive economic offender.

**RESOLVED FURTHER THAT** on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned Outgoing Promoters, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of the Listing Regulations.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution for Re-classification of Promoter (s)/ Promoter Group to Public Shareholding, the Board or the officers authorized by the Board in this regard be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard and to submit all the requisite applications, representations, filings etc. with the Stock Exchanges and other regulatory authorities as may be required in this regard without requiring the Board to secure any further consent or approval of the members of the Company”

## 8. Shifting of Registered Office of the Company from the State of Tamilnadu to the State of Telangana.

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

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**“RESOLVED THAT** Subject to the provisions of Section 12 and section 13 of the Companies Act 2013(the Act) and any other applicable provisions of the Act and the rules made thereunder (including any Statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approval of the Regional Director (South Region) or Central Government or any other relevant authority and such other approvals, permissions, consents, sanctions of any regulatory or statutory authorities as may be required in this regard, the consent of the Members, be and is hereby accorded for shifting the registered office of the Company fromTamilnadu (Chennai)to Telangana.

**“RESOLVED FURTHER THAT** consequentto this change, the Clause II of the Memorandum of Association of the Company be substituted by the Following.

Clause II: The Registered office of the Company will be situated in the State of Telangana.

**RESOLVED FURTHER THAT** upon the approval of the Regional Director, the registered office of the Company be shifted from the State of Tamilnadu (Chennai) to Telangana.

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

### 9. Change in name of the company including alteration in memorandum of association (MOA) and articles of association (AOA) of the company:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution:

**“RESOLVED THAT** pursuant to provisions of section 4, 5, 13, 14 section 15 of the Companies Act, 2013 (the 'Act') read with Rule 29 of the Companies (Incorporation) Rules, 2014, and any other applicable provisions of the Act and rules made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force), Regulation 45 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the Articles of Association of the Company, subject to such approvals, consents, permissions and sanctions as may be required from the concerned statutory/regulatory authorities, consent of the Members be and is hereby accorded for change of name of the Company from “KLK Electrical Limited” to “Edvenswa Enterprises Limited”.

**“RESOLVED FURTHER THAT** the Name Clause being in Clause I in the Memorandum of Association of the Company be altered accordingly and substituted by the name EDVENSWA ENTERPRISES LIMITED”.

**RESOLVED FURTHER THAT** the name “KLK Electrical Limited” wherever appearing in the Memorandum and Articles of Association and all other documents/records of the Company be substituted by the new name “EDVENSWA ENTERPRISES LIMITED” in accordance with the provisions of applicable laws.

**RESOLVED FURTHER THAT** in terms of Section 14 of the Companies Act, 2013 the Articles of Association of the Company be altered by deleting the existing name of the Company wherever appearing and substituting it with the new name of the Company.

**“RESOLVED FURTHER THAT** the name wherever appearing in the documents, common seal, letter head etc., be substituted by the new name upon receipt of Certificate of change of name.”

**“RESOLVED FURTHER THAT** the Board of Directors or any committee of the Company be and is hereby authorized to do all acts, deeds and execute such document as deem necessary or desirable for the purpose of giving effect to the aforesaid Resolution along with Filing of necessary e-forms with the Register of Companies.”

### 10. Increase in the authorized Share Capital of the Company:

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

**“RESOLVED THAT** pursuant to the provisions of Section 61 , 64 and all other applicable provisions of the Companies Act , 2013 (including any statutory modification(s) or re-enactment(s) thereof for time being in force ) and the rules made thereunder , consent is hereby accorded , to increase the authorized capital company from Rs.10,00,00,000 (Rupees Ten Crores) divided into 1,00,00,000 (one Crore )number of equity shares of face value of Rs10(Rupees ten) to Rs 20,00,00,000(Rupees twenty crores) divided into 2,00,00,000 (two crore )number of equity shares of face value Rs10 (rupees ten)ranking pari-passu with

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existing shares in all respects and Clause V of the Memorandum of Association of the Company be altered accordingly.”

**“RESOLVED FURTHER THAT** pursuant to provisions of section 13 and other applicable provisions, if any, of the Companies Act, 2013, read with rules made thereunder, (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactment(s) thereof for the time being in force), and subject to such approvals, consents, permissions and sanctions, if any, required from any authority, the Consent of the Members of the Company be and is hereby accorded to alter the existing clause V of the Memorandum of Association of the company relating to share capital by deletion of existing clause and by substituting in its place the following new clause V.

The Authorized Share Capital of the Company Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crore) Number of Equity Shares of Face Value Rs. 10/- (Rupees Ten only) each with a power to Board of Directors to increase or reduce the capital and to consolidate or sub divide the shares and issue shares of higher or lower denomination and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges and conditions attached thereto as may be determined by or in accordance with the articles of association of the company and to vary, modify or abrogate any such rights, privileges or conditions or restrictions in such manner as may for the time be permitted by the articles of association of the company or the legislature provisions for the time being in force in that behalf.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be authorized to take all necessary steps for giving effect to the above resolution.”

### 11. Amendment to AOA consequent to increase in Authorised Share Capital of the Company.

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

**“RESOLVED THAT** pursuant to the provisions of Section 61 , 64 and all other applicable provisions of the Companies Act , 2013 (including any statutory modification(s) or re-enactment(s) thereof for time being in force ) and the rules made thereunder , consent is hereby accorded , to increase the authorized capital company from Rs.10,00,00,000 ( Rupees Ten Crores) divided into 1,00,00,000 (one Crore )number of equity shares of face value of Rs10(Rupees ten) to Rs 20,00,00,000(Rupees twenty crores) divided into 2,00,00,000 (two crore )number of equity shares of face value Rs10 (rupees ten)ranking pari-passu with existing shares in all respects and Clause V of the Memorandum of Association of the Company be altered accordingly.”

**“RESOLVED FURTHER THAT** pursuant to provisions of section 13 and other applicable provisions, if any, of the Companies Act, 2013, read with rules made thereunder, (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactment(s) thereof for the time being in force), and subject to such approvals, consents, permissions and sanctions, if any, required from any authority, the Consent of the Members of the Company be and is hereby accorded to alter the existing clause Articles of Association of the company relating to share capital..

The Authorized Share Capital of the Company Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (two Crore) Number of Equity Shares of Face Value Rs. 10/- (Rupees Ten only) each with a power to Board of Directors to increase or reduce the capital and to consolidate or sub divide the shares and issue shares of higher or lower denomination and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges and conditions attached thereto as may be determined by or in accordance with the articles of association of the company and to vary, modify or abrogate any such rights, privileges or conditions or restrictions in such manner as may for the time be permitted by the articles of association of the company or the legislature provisions for the time being in force in that behalf.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be authorized to take all necessary steps for giving effect to the above resolution.”



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### 12. Adoption of New Set of Memorandum of Association of the Company.

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 4 & 13 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force and the Rules framed thereunder, as amended from time to time and /or any other statutory or regulatory authority, as may be necessary, consent of the members of the Company be and is hereby approved and adopted the new Memorandum of Association of the Company as per the Table A of the Schedule I of the Companies Act, 2013 and subsequent to this alteration of Memorandum of Association as per the Companies Act, 2013, the existing sub-clauses "sub-clause (B) of Clause III" and "sub-clause (C) of Clause III" be merged in a single sub-clause, "sub-clause (B) of Clause III" and consequently changing the object numbering as may be appropriate."

**"RESOLVED FURTHER THAT** in accordance with the Table A of the Schedule I of the Act, the Clause III (A) and III (B) of the Memorandum of Association of the Company, be renamed as under:"

Clause III (A) – The objects to be pursued by the Company are:

Clause III (B) – Matters which are necessary for furtherance of the objects specified in :

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

### 13. Adoption of New Set of Articles of Association of the Company

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 5 and 14 of Companies Act, 2013 ('the Act'), Schedule I made there under, read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), as may be necessary, consent of the members of the Company, pursuant to the Act primarily based on the Form of Table F under the Act, be and is hereby approved and adopted as new set of Articles of Association in the place of existing Articles of Association of the Company.

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

### 14. Approval for Employees Stock Option Plan 2022 for employees of the Company:

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 62(1)(b) and all other applicable provisions of the Companies Act, 2013 (the 'Act'), read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for time being in force), the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('SEBI ESOP Regulations'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), the circulars /guidelines issued by the Securities and Exchange Board of India ('SEBI'), the Articles of Association of the Company and all other applicable regulations, rules and circulars / guidelines in force, from time to time (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such other approvals, permissions and sanctions as maybe necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions and subject to acceptance of such condition(s) or modification(s) by the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall include the Nomination and Remuneration Committee constituted by the Board or any other committee which the Board may constitute to act as the 'Compensation Committee' under the SEBI ESOP Regulations or their delegated authority and to exercise its powers, including the powers conferred by this resolution), consent of the members of the Company be and is hereby accorded to the Board for the formulation and implementation of 'Employees Stock Option Plan 2022' (the 'ESOP Plan 2022') and for creation, grant, offer, issue and allotment, from time to time and in one or more tranches, stock options not exceeding 1,000,000 (One Million) to or for the benefit

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of (i) such person(s) who are permanent employees of the Company, whether working in India or outside India; (ii) directors of the Company, whether whole-time or not but excluding independent director(s) and (iii) such other employees and persons as may be permitted under the applicable laws and as may be approved by the Board, from time to time, but excluding (i) an employee /director who is a promoter or a person belonging to the promoter group and (ii) director(s) who either himself or through his relative(s) or through anybody corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company (the 'Eligible Employees'), which would give rise to the issue of not more than 1,000,000 (One Million) equity shares of the face value of Rs. 10/- (Rupee Ten only) each and to provide for grant and subsequent vesting and exercise of stock options by the Eligible Employees at such price and on such terms and conditions as may be determined by the Board in accordance with the provisions of the ESOP Plan 2022 as summarized in the explanatory statement annexed hereto and in due compliance with the SEBI ESOP Regulations and other applicable laws, rules and regulations.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as right issues, bonus issues, change in capital structure, merger, split, consolidation of equity shares, sale of division/undertaking and others, the ceiling as aforesaid of 1,000,000 (One Million) equity shares shall be deemed to be increased/decreased, as may be determined by the Board, to facilitate making a fair and reasonable adjustment to the entitlements of participants under the ESOP Plan 2022.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to devise, formulate, evolve, decide upon and bring into effect the ESOP Plan 2022 as per the terms approved in this resolution and at any time to modify, change, vary, alter, amend any of the terms and conditions of the ESOP plan 2022 or terminate ESOP Plan 2022 subject to compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members of the Company and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOP Plan 2022 and do all other things incidental to and ancillary thereof.

**RESOLVED FURTHER THAT** the equity shares so issued and allotted under the ESOP Plan 2022 shall rank pari passu with the then existing equity shares of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take necessary steps for listing of the equity shares allotted under the ESOP Plan 2022 on the Stock Exchange, where the equity shares of the Company are listed in compliance with the provisions of the Listing Regulations and other applicable laws, rules and regulations.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI ESOP Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOP Plan 2022.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, and things as it may in its absolute discretion deem necessary including appointment of various intermediaries, advisors, consultants or representatives for effective implementation and administration of the ESOP Plan 2022 as also to make applications to the appropriate authorities for obtaining their requisite approvals as also to initiate all necessary actions for and to settle all such questions, difficulties or doubts whatsoever that may arise and take all such steps and decisions in this regard.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to execute all such deeds, documents and writings and to give such directions and / or instructions as may be necessary, proper or expedient to give effect to any modification, alteration, amendment, suspension, withdrawal or termination of the ESOP Plan 2022 and to take all such steps and do all acts as may be incidental or ancillary thereto."

### 15. Approval for extending Employees Stock Option Plan 2022 For employees of the Subsidiaries of the Company:

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 62(1)(b) and all other applicable provisions of the Companies Act, 2013 (the 'Act'), read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for time being in force), the

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Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('SEBI ESOP Regulations'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), the circulars /guidelines issued by the Securities and Exchange Board of India ('SEBI'), the Articles of Association of the Company and all other applicable regulations, rules and circulars / guidelines in force, from time to time (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such other approvals, permissions and sanctions as maybe necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions and subject to acceptance of such condition(s) or modification(s) by the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall include the Nomination and Remuneration Committee constituted by the Board or any other committee which the Board may constitute to act as the 'Compensation Committee' under the SEBI ESOP Regulations or their delegated authority and to exercise its powers, including the powers conferred by this resolution), consent of the members of the Company be and is hereby accorded to the Board to extend the benefits of 'Employees Stock Option Plan 2022' (the 'ESOP Plan 2022') for the benefit of (i) such person(s) who are permanent employees of any subsidiary companies of the Company, whether working in India or outside India; (ii) directors of subsidiary companies of the Company, whether whole-time or not but excluding independent director(s); and (iii) such other employees and persons as may be permitted under the applicable laws and as may be approved by the Board, from time to time, but excluding (i) an employee/ director who is a promoter or a person belonging to the promoter group; and (ii) director(s) who either himself or through his relative(s) or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company (the 'Eligible Employees').

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to formulate, decide upon and bring into effect the ESOP Plan 2022 as per the terms approved in this resolution and at any time to modify, change, vary, alter, amend any of the terms and conditions of the ESOP plan 2022 or terminate ESOP Plan 2022 subject to compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members of the Company and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOP Plan 2022 and do all other things incidental to and ancillary thereof.

**For and on behalf of the Board of  
KLK Electrical Limited**

**Sd/-  
R. Ravikumar Rao  
Director  
DIN-06432101**

**Date: 05-09-2022  
Place: Chennai**

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## Notes:

- 1) In accordance with the provisions of the Act, read with the Rules made thereunder and General Circular nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 5th May, 2020, 02/2021 dated 13th January, 2021, 21/2021 dated 14th December, 2021 and 2/2022 dated 5th May, 2022, issued by the Ministry of Corporate Affairs ("MCA") read with Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 and other relevant circulars issued by the Securities and Exchange Board of India ("SEBI"), from time to time (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through Video Conference ("VC") or Other Audio Visual Means ("OAVM") upto 31st December, 2022, without physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being convened through VC/OAVM and the venue of the AGM shall be deemed to be the registered office of the Company.
  - 2) 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 MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. 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 e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
  - 3) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
  - 4) In compliance with the above mentioned MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 issued by SEBI owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the company or the Depository Participant(s). Members may note that the Notice of AGM and Annual Report 2021-22 will also be available on the Company's website [www.klk.co.in](http://www.klk.co.in), website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com).
1. Members holding shares in physical mode and who have not updated their email addresses with the company are requested to update their email addresses by writing to the company at [admin@klk.co.in](mailto:admin@klk.co.in) or [info@arthiconsultants.com](mailto:info@arthiconsultants.com) along with the copy of the signed request letter mentioning the folio no. name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Aadhaar) in support of the address of the Member. Members holding shares in dematerialized mode are requested to register or update their email addresses with the relevant Depository Participant.
  2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business is annexed hereto and forms part of the notice.
  3. This AGM Notice and Annual report 2021-2022 is being sent by e-mail only to those eligible Members who have already registered their e-mail address with the Depositories/the DP/the Company's RTA/the Company on 2nd September 2022 who have not registered their email address as on 2nd September 2022, are requested to update the email ids with Company/RTA/ Depository participants respectively and send an email from the registered email id to the Company/RTA [admin@klk.co.in](mailto:admin@klk.co.in)/ [info@arthiconsultants.com](mailto:info@arthiconsultants.com) for receiving the Notice of AGM and Annual Report 2021-2022 Any persons who acquire shares and become members of the company after dispatch of Notice of AGM and Annual Report and continues to be a member as on cut-off date i.e., 23th September 2022 on may note that the Notice of AGM and Annual Report 2021-22 will be available on the Company's website [www.klk.co.in](http://www.klk.co.in) , website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) or they may send an email requesting for the same by mentioning their folio no and details to company at [admin@klk.co.in](mailto:admin@klk.co.in) / [info@arthiconsultants.com](mailto:info@arthiconsultants.com)
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4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. Corporate Members intending to send their authorized representatives to attend the meeting through VC/OAVM are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting to admin@klk.co.in
6. The Registrar and Share Transfer Books of the Company will remain Close from 19th September 2022 (Monday) to 26th September 2022 (Monday) both days inclusive for the Annual General Meeting.
7. The Company has appointed Mrs. CS.D. Renuka as the scrutinizer to the e-voting process and to conduct e-voting at the AGM in fair and Transparent manner .
8. Shareholders are requested to furnish their e-mail addresses to enable the Company to forward all the requisite information in electronic mode. In case of shareholders holding shares in demat form, the email addresses of the shareholders registered with the DP and made available to the Company shall be the registered email ID unless communication is received to the contrary.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Aarthi consultants private limited
10. Members holding shares in physical form, in identical order of names, in more than one folio, are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio.
11. The remote e-voting period commences on 24th September, 2022 at 9.00 A.M and ends on 26th September, 2022 at 5.00 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form as on cut-off date 23rd September 2022 may cast their vote electronically. The CDSL will disable E voting facility after the expiry of remote e-voting period. Once the vote on resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
12. The voting rights of the shareholders shall be in proportion to their shares of the paid-up share capital of the Company as on the cut-off date.

### **INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS: CDSL e-Voting System - For Remote e-voting and e-voting during AGM.**

- 1 As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

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 MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. 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 e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

- 2 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 to atleast 1000 members on first come first served basis. This will not include large Shareholders (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.
- 3 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.

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- 4 Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/ OAVM and cast their votes through e-voting.
- 5 In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.klk.co.in](http://www.klk.co.in)
- 6 The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
- 7 The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

### **THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM/ EGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

1. The voting period begins on 24th September 2022 and ends on 26th September 2022. 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) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
3. In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 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 is given below:**

Type of shareholders	Login Method
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 evoting is in progress as per the information provided by company. On clicking the evoting 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> </ol>

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	<p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers</p>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<ol style="list-style-type: none"> <li>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.nsd.com">https://eservices.nsd.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 eVoting 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.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.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</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>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 eVoting 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 &amp; voting during the meeting</p>

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Important note: Members who are unable to retrieve User ID/ Password are advised use Forget User ID and Forget Password option available at above mentioned 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 helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (i) 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.

<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>	
PAN	Enter your 10digit 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>



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- (ii) After entering these details appropriately, click on “SUBMIT” tab.
- (iii) 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.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (vi) 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.
- (vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (viii) 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.
- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xi) 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.
- (xii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiii) 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 will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, 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 mandatory 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; [\\_admin@klk.co.in](mailto:_admin@klk.co.in) (designated email address by company) , 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/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.

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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/EGM.
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 ten days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance Ten days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). 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/EGM 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 EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

### **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 toll free no. 1800 22 55 33

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, Mafatlal 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 toll free no. 1800 22 55 33.

13. As per the above instructions, any shareholder as on cut-off date that is September 23rd 2022, who require sequence number may please contact the company by sending an email to [admin@klk.co.in](mailto:admin@klk.co.in) or our Registrar and Transfer Agents Aarthi consultants Private limited by sending an email to [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com)
14. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

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15. CS. D. Renuka Practicing Company Secretary, Hyderabad has been appointed as the scrutinizer to scrutinize the E-voting process in a fair and transparent manner.
16. The E-voting facility is provided for voting on resolutions given in the Notice of AGM on the day of AGM to Shareholders, who have not voted during the remote e-voting period i.e., from 24th September, 2022 to 26th September, 2022. The shareholders who have already voted prior to the meeting date will not be allowed to vote again at the AGM.
17. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
18. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.klk.co.in](http://www.klk.co.in) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed. Pursuant to section 72 of the Act, shareholders are entitled to make a nomination in respect of shares held by them. Shareholders desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in Form No. SH-13, to the R&T Agent of the company. Further, shareholders desirous of cancelling/ varying nomination pursuant to the rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-14, to the R&T Agent of the company.
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in electronic format, therefore, are requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Shareholders holding shares in physical form may submit their PAN and other details to the company's R&T Agents in accordance with SEBI Circular SEBI/HO/MIRSD/ DOP1/CIR/P/2018/73 dated 20 April 2018.

**For and on behalf of the Board of  
KLK Electrical Limited**

**Sd/-  
R. RaviKumar Rao  
Director  
DIN-06432101**

**Date: 05-09-2022  
Place: Chennai**

# KLK ELECTRICAL LIMITED

## EXPLANATORY STATEMENT

(Pursuant to section 102 of the Companies Act, 2013)

### Item No.2

The Board of Directors of the Company, on the recommendation of Nomination and remuneration Committee at its meeting held on 26th May, 2022 has appointed Mr. U. Sreenivasa Sreekanth as Chairman & Managing Director of the Company without remuneration for a period of 5 years from 26.05.2022 to 25.05.2027.

Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business. The appointment of Mr. U. Sreenivasa Sreekanth is appropriate and in the best interests of the Company.

The information as per Part (B) of Section II of Part II of Schedule V to the Companies Act, 2013 and information pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as Annexure to this Notice.

The Board of Directors, therefore, recommends the Resolution as set out at Item No.2 to be passed as Ordinary Resolution by the Members.

None of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out in the Notice.

Information in accordance with Schedule V of Companies Act, 2013

### I. General Information:

1	Nature of Industry: Information Technology and Software Development			
2	Date or expected date of commencement of commercial: Company Started the commercial operations immediately after obtaining certificate of commencement of Business on 18th April 1980..			
3	In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable			
4	Financial performance based on given indications			
	Particulars	2021-22 (Rs )	2020-21 (Rs.)	2019-20 (Rs.)
	Turnover	15,169,434	10,512,353	-
	Net profit after Tax	12,997,787	(681,000)	(896,172)
5	Foreign investments or collaborations, if any: Not Applicable			

# KLK ELECTRICAL LIMITED

## II. INFORMATION ABOUT THE APPOINTEE:

1.	Background Details: Mr.Sreenivasa Sreekanth Uppuluri is a Graduate in Btech from National Institute of Technology Jamshedpur
2.	Past Remuneration: NIL
3.	Recognition or awards: Nil
4.	Job Profile and his suitability: Mr. Srinivasa SreekanthUppuluri has more than two decades of experience in the field of Software Project Management, Solution Architecture. In the Initial Years of the career Mr. Sreekanth has worked as an associate in Cognizant Technology solutions. He is Co-founder of Virinchi Limited and also was a Principal Incubation lead at Business Innovation Centre and also Cofounder and Vice President of Lucid Act Health . He is also co-founder ofIncub 8 Start up Studios , Edvenswa Consultancy Services and Edvenswa Tech. He is known for his Great Management Skills and Technical Expertise.
5.	Remuneration proposed: Nil
6.	Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): Nil
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: Nil

## III. Other information:

1.	Reasons for inadequate profits: The Company is in the mode of expansion of the business which generally requires spending lot of money upfront leading to minimal profits in the initial years. All this expenditure will result in to revenues over a period of next two to three years
2.	Steps taken or proposed to be taken for improvement: Necessary efforts are being made to increase the clientele who in turn contribute for the growth of the business as well as the profitability.
3.	Expected increase in productivity and profit in measurable terms: The company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that financial position of the company will improve considerably in the coming years.

### Item No. 3

Mr.Y. Ramesh Reddy was appointed as Additional Director on 26.05.2022 in terms of Section 161 (1) of the Companies Act, 2013 and Provisions of SEBI(LODR) Regulations, 2015 in the category of Whole time Director , executive in nature.

Considering his leadership skills, expertise in strategy and finance, the Board recommends the resolution, pertaining to the appointment based on the recommendation of Nomination and Remuneration Committee of the Company Mr.Y.Ramesh Reddy was appointed as Whole Time Director -Executive in Nature , for approval by the Members of the Company by way of an Ordinary Resolution.

A brief profile of Mr.Y. Ramesh Reddy, in terms of Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings (SS-2) issued by the ICSI, has been provided as an Annexure to this Notice.

The Board of Directors, therefore, recommends the Resolution as set out at Item No.3 to be passed as Ordinary Resolution by the Members.

None of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out in the Notice.

## KLK ELECTRICAL LIMITED

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### Item 4,5,6:

Mr. RavikanthAndhavarapu, Mr. JayachandGarimella and Mrs.Srivani Nandiraju were appointed as an Additional Directors in the category Non-Executive Independent Director of the Company by the Board of Directors in their Meeting held on 26th May, 2022 to hold office of Independent Director up to the ensuing Annual General Meeting.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of the members of the Company. Further, in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), effective January 1, 2022, a listed entity shall ensure that approval of shareholders by way of Special Resolution for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the appointment of Mr. RavikanthAndhavarapu, Mr. JayachandGarimella and Mrs.SrivaniNandiraju would requires the approval of the members of the Company by way of Special Resolution.

Based on recommendations of Nomination and Remuneration Committee, Board have approved the appointment of Mr. RavikanthAndhavarapu, Mr. JayachandGarimella and Mrs.SrivaniNandiraju as Non-Executive Independent Directors of the Company, not liable to retire by rotation to hold office for a First term of Five (5) consecutive years up to the conclusion of 46th Annual General Meeting to be held in the year 2027 subject to approval of the Shareholders.

Section 149 of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribe that an Independent Director of a Company shall meet the criteria of independence as provided in Section 149(6) of the Act and regulation 16(1)(b) of the Listing Regulations.

Mr. RavikanthAndhavarapu, Mr. JayachandGarimella and Mrs.SrivaniNandiraju are not disqualified from being appointed as Directors in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has also received declarations from Mr. Ravikanth Andhavarapu, Mr. JayachandGarimella and Mrs.Srivani Nandiraju that they meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

In the opinion of the Board, Mr. Ravikanth Andhavarapu, Mr. JayachandGarimella and Mrs.SrivaniNandiraju fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations and is independent of the management.

The details of Mr. Ravikanth Andhavarapu, Mr. JayachandGarimella and Mrs.SrivaniNandiraju, nature of they expertise in specific functional areas and names of company in which he hold directorships, shareholding and relationships between directors are provided in "Annexure" to the Notice pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Copy of draft letter of appointment of Mr. RavikanthAndhavarapu, Mr. JayachandGarimella and Mrs.Srivani Nandiraju setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

The Board of Directors, therefore, recommends the Resolution as set out at Item No.4,5&6 to be passed as Special Resolution by the Members.

Except the appointee Directors with regard to the resolution of their appointment, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution

### Item No.7

Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations, 2015"), as amended from time to time, has provided a regulatory mechanism for re-classification of Promoters as Public Shareholder subject to fulfilment of conditions provided therein.

The Company had received a letter from the all the applicants mentioned in the resolution requesting re-classification from the category of "Promoters / Promoter Group" to "Public Category":

In view of application received from the applicants mentioned in the resolution and in consideration with the proper compliance of Regulation 31A of the Listing Regulations, 2015, the Board of Directors of the Company at its meeting held on 26th may 2022 has considered and approved the application of re-classification from

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## KLK ELECTRICAL LIMITED

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Promoter / Promoter Group Category subject to approval by the members, Stock Exchange or any other regulatory body as may require.

The applicants have confirmed that they comply with the requirements of Regulation 31A(3)(b) of the SEBI Listing Regulations, 2015 as below -

- a. They, together do not hold more than ten percent of the total Voting Rights in the Company;
- b. They do not exercise control over the affairs of the Company directly or indirectly;
- c. They do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- d. They do not represent on the board of directors (including not having a nominee director) of the Company;
- e. They do not act as a key managerial person in the Company;
- f. They are not 'wilful defaulters' as per the Reserve Bank of India Guidelines;
- g. They are not fugitive economic offenders.

Further, applicants have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A(4) of the SEBI Listing Regulations, 2015.

The proposed reclassification of the shareholding of the Promoter/ Promoter Group mentioned in table given above is not pursuant to Regulation 31A(5) or (6) of the SEBI LODR Regulations.

In terms of Rule 19A of the Securities Contracts (Regulation) Rules, 1957, the public shareholding as on date of the notice fulfils the minimum public shareholding requirement of at least 25% and the proposed reclassification does not intend to increase the public shareholding to achieve compliance with the minimum public shareholding requirement.

The Board of Directors, therefore, recommends the Resolution as set out at Item No.7 to be passed as Special Resolution by the Members.

None of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out in the Notice.

### **Item No.8**

Presently, the Company's Registered Office is located at Chennai, Tamil Nadu, 600116. The Board of Directors of your Company at their meeting held on 26th May, 2022 has decided to shift the Registered Office of the Company from the \_Old No. 32, New No. 64, 8th Cross Street, West Shenoy Nagar , Chennai, 600030toCyber Towers 1st Floor, Q3-A2, Hitech City Rd, Madhapur, Telanganaconsidering, inter-alia for the following reasons:

- a. To exercise better administrative and economic control over the Company;
- b. To increase operational and management efficiency;
- c. To integrate business functions, and optimization of administrative expenses.

The proposal for shifting of Registered Office of the Company is in the best interest of the Company, shareholders and all concerned parties and will not be detrimental to the interest of members of the public, shareholders, creditors or employees, in any manner whatsoever. The Board of Directors of the Company thought it fit and prudent to shift the Registered Office to Telangana.

The proposed resolution requires the Company to amend the relevant clause contained in the Memorandum of Association for shifting the registered Office from the state of Tamilnadu to the state of Telangana.

As per section 12 and 13 of the Companies Act, 2013, the registered office of the Company may be shifted outside the local limits of any city, town or village on the authority of the special resolution passed by the Company and subject to the confirmation of the Regional Director (Tamilnadu).

The Board of Directors, therefore, recommends the Resolution as set out at Item No.8 to be passed as Special Resolution by the Members.

None of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out in the Notice.

### **Item No. 9**

The Board of directors of the company decided to change of name of the company to better reflect the business activities of the company and accordingly decided to amend the Memorandum and Articles of Association

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## KLK ELECTRICAL LIMITED

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subject to the approval of the Registrar of Companies and members of the company.

In view of the above, the Company filed an application with the Registrar of Companies ("ROC") for reservation of the proposed name. The ROC, Central Registration Centre, Ministry of Corporate Affairs vide its letter dated 8th July 2022 has reserved the name Edvenswa Enterprises Limited for the Company in accordance with the provisions of the Companies Act, 2013 ("Act").

Certificate obtained from M/s. ERR & Associates , Chartered Accountants (Firm registration number 017078S) dated 2nd September 2022 in terms of Regulation 45(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") stating compliance of conditions stipulated in Regulation 45(1) is annexed hereto and forms part of this Notice and explanatory statement.

The proposed change of name will not affect any of the rights of the Company or of the shareholders/stakeholders of the Company. All existing share certificates bearing the current name of the Company will, after the change of name, continue to be valid for all purposes.

Accordingly, approval of the Members is being sought pursuant to the provisions of the Act, Listing Regulations and other applicable provisions, if any, to change the name of the Company from "KLK Electrical Limited" to "Edvenswa Enterprises Limited" and consequently alter the Memorandum and Articles of Association of the Company.

Accordingly, the Directors recommend the matter and the resolution set out under Item no. 9 for the approval of the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out in the Notice.

### **Item No-12 & 13**

The existing Memorandum and Articles of Association ("MOA & AOA") were based on the Companies Act, 1956 and several clauses / regulations in the existing MOA & AOA contain references to specific sections of the Companies Act, 1956 and which are no longer in force.

The Companies Act, 2013, has prescribed a new format of Memorandum of Association ("MOA"), with a view to align the existing MOA of the Company with Table A of Schedule I of the Companies Act, 2013 and in accordance with Sections 4 and 13 of Act, it is proposed to adopt and alter the MOA of the Company by merging the Objects under Clause III (C) – "Other Objects" with Clause III (B) – "Objects Incidental or Ancillary to the attainment of the Main Objects" and also to rename the Clause III (A) and III (B) of the Clause.

The Existing regulations of the Articles of Association are replaced by the new set of regulations and adopted as new set of Articles of Association as per the requirements of Table F of First Schedule in the Companies Act, 2013. The modification in Articles of association is carried out to give effect to provisions of the Companies Act, 2013.

As per the provisions of Section 13 and Section 14 of the Companies Act, a Special Resolution has to be passed by the members of the Company for the adoption of amended and restated MOA and AOA of the Company.

The Board of Directors, therefore, recommends the Resolution as set out at Item No.12 & 13 to be passed as Special Resolutions by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out in the Notice.

### **Item-10 and 11**

The Present authorised capital of the Company stands is Rs 10,00,00,000 (Rupees 10 Crores) comprising 10,00,0000 (One crore) Equity shares of Rs10 (Rupees Ten) each.

Considering the increased fund requirements pertaining the right issue, the Board of Directors of the Company at its Board Meeting held on 5th September 2022 had accorded its approval for increasing the authorised Share Capital from Rs 10,00,00,000 (Rupees 10 Crores) to Rs 20,00,00,000 (Rupees 20 crores) by creation of Rs 10, 00,00,000 (Rupees 10 Crores) additional equity shares of Rs10 (Rupees Ten ) each subject to shareholders approval.

Presently the Authorised Share Capital of the Company stands at Rs. 10,00,00,000/- (Rupees Ten Crore only) divided into 10,00,0000 (One Crore) of Equity Shares Issuable of Rs. 10/- each. The Board of Directors of the Company at its meeting held on 5th September 2022 decided to increase the Authorized Capital of the Company from Rs. 10,00,00,000/- (Rupees Ten crore only) divided into 1,00,00,000 (One Crore) Number of Equity Shares Issuable of Rs. 10/- (Rs Ten ) each to Rs. 20,00,00,000 (Rupees Twenty Crores only) divided into



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## KLK ELECTRICAL LIMITED

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2,00,00,000(Two Crores) Number of Equity Shares Issuable of Rs. 10/- (Rs ten)each. The increase in the Authorized Share Capital of the Company will also require consequential amendment in the Clause V of the Memorandum of Association and Articles of Association of the Company. Pursuant to Section 13 and 61 the Companies Act, 2013, alteration of the Capital Clause requires approval of the members of the Company by way of passing a resolution to the effect. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in for increase in Authorized Share Capital of the Company and as Special Resolution as set out for amendment in Clause V of the Memorandum of Association of the Company. The Directors of the Company and their relatives are deemed to be concerned or interested in Items to the extent of shares held by them, if any, in the Company.

In order to reward, retain talented and key employees and to align individual performance with the organizational goals of the company as well as employees of Wholly Owned Subsidiary, the Board at its meeting held on 5th September 2022 have approved and proposed for the approval of shareholders for issue of stock options.

Item 14 and 15 number of equity shares to be issued and allotted to an Individual shall not exceed 1% of Paid up capital of the Company and any increase in more than 1% shareholder approval has to be taken. In case of any corporate action(s) such as right issues, bonus issue, change in capital Structure, merger, split, consolidation of equity shares, sale of division /undertaking and others, the equity shares shall be increased /decreased to facilitate making a fair reasonable adjustment to the entitlements of participants under the ESOP Plan 2022.

### **The Salient features of the ESOP plan 2022 are set out below as per the SEBI Circular**

#### **1. Brief description of the Scheme - ESOP Plan 2022:**

The Company proposes to introduce ESOP Plan 2022 to attract, reward and retain talented and key eligible employees of the Company in the competitive environment and encourage them to align individual performance with the organizational goals. The Company views employee stock options as instruments that would enable the employees to share the value they would create and contribute to the Company in the years to come.

#### **2. Total Number of Options to be granted :**

The Total number of options to be granted: may change subject to adjustments as may be required due to any corporate action as stated in the Scheme.

#### **3. Identification of classes of employees entitled to participate and be beneficiaries in the scheme(s);**

Following classes of employees are entitled to participate in the ESOP Plan 2022: (i) Permanent employees of the Company and its subsidiary companies (collectively referred to as the 'Group') whether working in India or outside India; (ii) Directors of the Group, whether whole-time or not but excluding independent directors; (iii) such other employees and persons as may be permitted under the applicable laws and as may be approved by the Board, from time to time.

Following persons are not entitled to participate in the ESOP Plan 2022

- a) an employee / director who is a promoter or a person belonging to the promoter group; and
- b) a director who either by himself or through his relative(s) or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

#### **4. Requirements of Vesting and period of vesting:**

There shall be a minimum period of one year between the grant of options and vesting of options.

- a. The vesting shall happen in one or more tranches as may be decided by the Board.
- b. All the options granted on any date shall vest not later than a maximum period of from the date of grant of options as may be determined by the Board.
- c. The Board may extend, shorten or otherwise vary the vesting period from time to time, in accordance with the applicable laws and in the interest of the option grantee.

#### **5. Exercise period and process of exercise :**

Exercise price or pricing formula Subject to the SEBI ESOP Regulations, the exercise price shall be fixed by the Board at its discretion and will be specified in the grant letter but the same shall not be higher than the market price (i.e. latest available closing price on the stock exchange where the equity shares of the Company are listed) of the equity shares at the time of grant and not less than the face value of the equity

## KLK ELECTRICAL LIMITED

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shares of the Company. The same shall be subject to any fair and reasonable adjustments that may be made on account of corporate actions of the Company in order to comply with the SEBI ESOP Regulations.

**6. Exercise period/offer period and process of exercise/acceptance of offer;**

Exercise Period would commence from the vesting date and would expire not later than from the date of grant of Options or such other period as may be decided by the Board. The vested Options are exercisable by the eligible employees by a written application to the Company expressing his/ her desire to exercise such Options in such manner and on execution of such documents, as may be prescribed by the Board from time to time. The Options shall lapse if not exercised within the Exercise Period.

**6. Appraisal process for determining the eligibility under the ESOP Plan 2022.**

The appraisal process for determining the eligibility shall be decided by the Board from time to time.

**7 Maximum quantum of benefits to be provided per employee under a scheme(s);**

The maximum quantum of benefits underlying the Options granted to an Eligible Employee shall be equal to the appreciation in the value of the Company's equity shares determined as on the date of exercise of Options. I.e. Difference between the Options grant Price and the market price of the equity shares on the exercise date.

**8. whether the scheme(s) is to be implemented and administered directly by the company or through a trust;**

Esops is Directly implemented by the Company.

**9. Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both**

Company shall issue new shares on exercise of Stock options under ESOPS 2022.

**10. The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.;**

Not applicable.

**11. Maximum percentage of Secondary Acquisition that can be made by the trust for the purpose of the scheme Not applicable**

Not applicable.

**12. Statement to the effect that the Company shall conform to the accounting policies specified in regulations 15.**

The Company shall follow the requirements of the 'Guidance Note on Accounting for employee share-based Payments' (Guidance Note) or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein. Where the existing Guidance Note or Accounting/ Standard do not prescribe accounting treatment or disclosure requirements for any of the Plans covered under these regulations then the Company shall comply with the relevant Accounting Standard as may be prescribed by the ICAI from time to time.

**13. Method of valuation of Options**

The Company shall use the Fair Value method for valuation of the Options granted to calculate the employee compensation cost.

**14. The following statement, if applicable:**

'In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report';

## KLK ELECTRICAL LIMITED

Information as required under Regulation 30 -Part A of Schedule III of SEBI(Listing Obligations and Disclosure Requirements)Regulation 2015

SN O	Particulars	Mr.Sreenivas a Sreekanth Uppuluri	Mr.Y.Ramesh Reddy	Mr. Ravikanth Andhavarapu	Mr.Garimella Jayachand	Mrs.SrivaniNandiraju
1.	Reason for change viz appointment, resignation, removal, death or otherwise	Appointment of Mr.Sreenivasa Sreekanth Uppuluri(Din number– 01275332) as promoter director , Chairman and Managing Director of the Company .	Appointment of Mr.Y.Ramesh Reddy (DIN- 01483626) as an additional Director in the capacity of Promoter Director	Appointment of Mr.Ravikanth Andhavarapu as an additional director in the Capacity of Independent Director	Appointment of Mr.Garimella jayachand as as an additional director in the capacity of Independent Director	Appointment of Mrs.Srivani Nandir additional director in the capacity of Independen Director.
2.	Date of appointment/cessation (as applicable) & terms of appointment	Mr. Sreenivasa Sreekanth Uppuluri is appointed as additional Director in Promoter category w.e.f from 26 <sup>th</sup> May 2022 on recommendation of Nomination and Remuneration Committee, subject to approval of the Shareholders at the forthcoming General Meeting of the Company for a period of 5 years.	Mr.Y. Ramesh Reddy is appointed as additional Director in Promoter category w.e.f from -26 <sup>th</sup> May 2022 in recommendation of Nomination and Remuneration Committee , subject to approval of the Shareholders at the forthcoming General Meeting of the Company for a period of 5 years	Mr. Ravikanth Andhavarapu is appointed as additional Director in Independent category w.e.f from 26 <sup>th</sup> May 2022 on recommendation of Nomination and Remuneration Committee , subject to approval of the Shareholders at the forthcoming General Meeting of the Company for a period 5 years	Mr. Garimella jayachand is appointed as additional Directors in Independent Category w.e.f from 26 <sup>th</sup> may 2022 on recommendation of Nomination and Remuneration Committee subject to approval of Shareholders in the forthcoming General meeting of the Company for a period of 5 years	Mrs.Srivani Nandiraju is appointed as additional Director in Independent Director w.e.f from 26 <sup>th</sup> may 2022 on recommendation of Nomination and Remuneration Committee Subject to approval of Shareholders at the forthcoming General Meeting of the Company for a period of 5 years.

## KLK ELECTRICAL LIMITED

3.	Brief Profile	<p>Mr.Sreenivasa Uppuluri sir is Graduate in BTech from national Institute of Technology , he has more than two decades of experience in Project Management. He is co-founder of Virinchi Limited also was an Principal Incubation lead at business Innovation centre and also Co-founder and Vice President of Lucid Act Health and the C-founder, Founder of Incub 8 ventures,</p>	<p>Mr.Y. Ramesh Reddy is a Graduate in B. Tech from IIT Madras and Post Graduate Diploma in Business management from XLRI Jamshedpur Mr.Y.Ramesh Reddy has more than 2 decades of experience in field of business Strategy, Merger and acquisition, Business development and IPO and Investor relations, finance management and HR team building etc .He was Software engineer in PSI Data Systems and a software consultant in Massachusetts Department of transitional Assistance and Lockheed Martin United States</p>	<p>Mr.Ravikanth Andhavarapu is an Graduate from Indian Institute of Technology, Madras. He possesses over two decades of experience in IT Sector . He was Project lead for aerial Vehicle built in IIT Madras.He started his Aeromodelling Club. He was Team Leader for the first team of IIT Madras which participated in the International Aerial Robotics. At present he is Head of Startergy in Biliti Electric</p>	<p>Mr.G.Jayachand is Graduate in B.Tech Civil, REC Jamshedpur, Ranchi University . He has more than 16 years experience in the IT industry. His area of expertise includes technologies like Agile,scrum, Java , Micro services . As/400</p>	<p>Mrs.Srivani Nandiraju has Master's Degree in Business Administration with significant executive leadership accomplishments in business, philanthropy, and the non-profit sector. Her Dedication, communication and intervention skills help her to achieve great heights in the Career</p>
4	Disclosure and relation with Directors	None	None	None	None	None

# KLK ELECTRICAL LIMITED

## DIRECTORS' REPORT

To the Members,

KLK Electricals Limited,

Chennai, Tamil Nadu, India

Your Directors have pleasure in presenting the 41st Annual Report of your Company together with the audited Financial Statements for the year ended 31st March, 2022.

### 1. Financial performance:

Rs. in lakhs

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Turnover/Income (Gross)	5,023,760	10,412,353
Other Income	10,145,674	100,000
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	15,169,434	10,512,353
Less: Depreciation/ Amortisation/ Impairment	15,169,434	10,512,353
Profit /loss before Finance Costs, Exceptional items and Tax Expense	1,459,146	9,03,000
Less: Finance Costs	-	-
Profit /loss before Exceptional items and Tax Expense	-	-
Add/(less): Exceptional items	13,710,287	(681,000)
Profit /loss before Tax Expense	712,500	-
Less: Tax Expense (Current & Deferred)	12,997,787	(681,000)
Profit /loss for the year (1)	-	-
Total Comprehensive Income/loss (2)	-	-
Total (1+2)	-	-
Balance of profit /loss for earlier years	-	-
Less: Transfer to Debenture Redemption Reserve	-	-
Less: Transfer to Reserves	-	-
Less: Dividend paid on Equity Shares	-	-
Less: Dividend paid on Preference Shares	-	-
Less: Dividend Distribution Tax	12,997,787	(681,000)
Balance carried forward	-	-

### 2. Overview & state of the company's affairs:

During the year under review, the Company has recorded an income of Rs. 12,997,787 Lakhs against the loss of Rs. 681,000 Lakhs in the previous financial year ending 31.03.2021.

### 3. Dividend

Keeping the Company's growth plans in mind, your directors have decided not to recommend dividend for the financial year 2021-2022.

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## KLK ELECTRICAL LIMITED

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### 4. Transfer to reserves

Pursuant to provisions of Section 134 (3) (j) of the Companies Act, 2013, the company has not proposed to transfer any amount to general reserves account of the company during the year under review.

### 5. Investor Relations:

The Company continuously strives for excellence in its Investor Relations engagement. The Company ensures that critical information about the Company is available to all the investors, by uploading all such information on the Company's website.

### 6. Material changes & commitment affecting the financial position of the company:

There have been no material changes and commitments affecting the financial position of the Company which have occurred during the end of the Financial Year of the Company to which the financial statements relate and the date of the report.

### 7. Significant & material orders passed by the regulators or courts or tribunals:

No significant or material orders have been passed against the Company by the Regulators, Courts or Tribunals, which impacts the going concern status and company's operations in future.

### 8. Transfer of un-claimed dividend to Investor Education and Protection:

There is no such amount of Un-paid or Unclaimed Dividend to be transferred to Investor Education and Protection Fund for the financial year ended 31st March 2022.

### 9. Details of utilization of funds:

During the year under review, the Company has issued 60,00,000 Equity shares on Preferential Basis of Face Value of Rs10 each at an issue price of Rs 25 to Mr.Sreenivasa Sreekanth Uppuluri in lieu of purchase of Rs 60,00,000 Common Stock of Edvenswa Tech INC aggregating to Rs. 15,00,00,000 (Rupees Fifteen Crores Only) determined in accordance with the provisions of Chapter V of SEBI (ICDR) Regulations, 2018 and got Shareholders consent for the Same Vide EGM dated 2nd December 2021.

The Company also got the share holders approval for issue of 12,00,000 (Twelve Lakh only) Equity share Warrants ("Warrants") at a price of Rs.25/- per Warrant with a right to the warrant holder to apply for and be allotted 1 (One) Equity Share of the face value of Rs.10/- each of the Company ("Equity Shares") at a premium of Rs.15/- per share for each warrant within a period of 18 (Eighteen) months from the date of allotment of the Warrants, aggregating to Rs. 3,00,00,000/- (Rupees Three Crores Only) to Yerradoddi Ramesh Reddy, Acquirer of the Company ("Proposed Allottee"), for cash determined in accordance with the provisions of Chapter V of SEBI (ICDR) Regulations, 2018 as on the Relevant Date on such other terms and conditions as may be approved by the Board.

The proceeds from the Preferential allotment have been utilized for the purpose for which they are raised and there is no deviation in the utilization of proceeds.

### 10. Investor Education and Protection Fund (IEPF):

Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government

During the Year, no amount of dividend was unpaid or unclaimed for a period of seven years and therefore no amount is required to be transferred to Investor Education and Provident Fund under the Section 125(1) and Section 125(2) of the Act.

### 11. Revision of financial statements:

There was no revision of the financial statements for the year under review.

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## KLK ELECTRICAL LIMITED

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### 12. Change in the nature of business, if any:

The Company has not undergone any change in the nature of business during the FY 2021-22.

### 3. Deposits from public:

The Company has not accepted any public deposits during the Financial Year ended March 31, 2022 and as such, no amount of principal or interest on public deposits was outstanding as on the date of the balance sheet.

Since the Company has not accepted any deposits during the Financial Year ended March 31, 2022, there has been no non-compliance with the requirements of the Act.

### 14. Open Offer:

The issue of 60,00,000 Equity shares on Preferential Basis of Face Value of Rs10 each at an issue price of Rs 25 to Mr.Sreenivasa Sreekanth Uppuluri in lieu of purchase of Rs 60,00,000 Common Stock of Edvenswa Tech INC aggregating to Rs. 15,00,00,000 (Rupees Fifteen Crores Only) and issue of 12,00,000 (Twelve Lakh only) Equity share Warrants ("Warrants") at a price of Rs.25/- per Warrant with a right to the warrant holder to apply for and be allotted 1 (One) Equity Share of the face value of Rs.10/- each of the Company ("Equity Shares") at a premium of Rs.15/- per share for each warrant within a period of 18 (Eighteen) months from the date of allotment of the Warrants, aggregating to Rs. 3,00,00,000/- (Rupees Three Crores Only) to Yerradoddi Ramesh Reddy, Acquirer of the Company ("Proposed Allottee"), for cash

The said acquisition by Mr.Sreenivasa Sreekanth Uppuluri had triggered the Open Offer in terms of SEBI (SAST) Regulations, 2011 and accordingly all the due procedure for the Open Offer was followed by the acquirer including disclosure of Public Announcement, Draft Letter of Offer to SEBI with the help of the Merchant Banker, Finshore Management Services Limited, appointed by the Acquirer. After approval from SEBI, Letter of Offer dated was sent to all the public shareholders for tendering their shares @ Rs.25 per share as determined by the Registered Valuer.

The Merchant Banker, thereafter submitted Post Offer Public Announcement dated on 28th Feb 2022 on the successful completion of the open offer.

The Board pursued the Announcement dated on the successful completion of the open offer process, resulting in change of ownership and management of the Company and invited the new management to take control of the Company under the guidance of Mr.Sreenivasa Sreekanth Uppuluri the Promoter of the Company .

### 15. Subsidiary companies:

The Company through its Open offer has acquired Edvenswa Tech INC as its 100% subsidiary.

### 16. Companies which have become or ceased to be subsidiaries:

None of the companies have become or ceased to become the subsidiaries, joint ventures or associates' company to M/s. KLK Electrical Limited during the year 2021-22.

### 17. Independent director's familiarization programmes:

Independent Directors are familiarized about the Company's operations, businesses, financial performance and significant development so as to enable them to take well-informed decisions in timely manner. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company are also made to the directors. Direct meetings with the Chairperson are further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

### 18. Board Evaluation:

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

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

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## KLK ELECTRICAL LIMITED

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The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of independent directors was conducted to evaluate the performance of non-independent directors, the board as a whole and the Chairman of the Company, taking into account the views of executive directors and nonexecutive directors.

The Board reviewed the performance of individual directors on the basis of 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.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

### 19. Audit Committee Recommendations:

During the year, all recommendations of Audit Committee were approved by the Board of Directors.

### 20. Authorised and paid-up capital of the company:

The Authorized Share Capital of your Company was increased from Rs. 50,000,000 (Rupees Five Crores only) to Rs. 100,000,000 (Rupees Ten Crores only) during the year under review.

Consequent to the above, the Authorized Share Capital of your Company as on March 31, 2022 stood at Rs. 100,000,000- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore only) equity shares of the face value of Rs. 10/- (Rupees Ten Only) each.

### 21. Further issue Share capital

- a) During the year, the company has allotted 60,00,000 (Sixty Lakhs Only) equity shares of the Company on Preferential basis having face value of Rs 10 (Rupees 10 only) at a price of Rs25 per Equity Share (at a premium of Rs. 15/- per Equity Share) for consideration other than cash, i.e., the Company will allot 60,00,000 Equity shares to Mr. Sreenivas Sreekanth Uppuluri for the consideration received from him in form of 60,00,000 Common Stock owned by him that comprised 100% paid up shares capital of Edvenswa Tech Inc., in the ratio of 1:1 (i.e., 1 Equity Share of KLK Electrical Limited for every 1 Common Stock of Edvenswa Tech INC) and the Company also issued under Preferential allotment of Convertible Equity warrants at a price Rs.25/- per share, including premium of Rs.15/- per share on face value of Rs.10/- per share, within a period of 18 months from the date of allotment of warrants i.e 20 January,2022, aggregating up to Rs. 3,00,00,000/- (Rupees Three Crores Only) to Mr.Y.Ramesh Reddy.
- b) Therefore the Share Capital of the Company as on 31st March 2022 stands as 86,50, 0000 (Comprising of 8650000 shares of Rs10/- each)

### 22. Directors and key managerial personnel:

As on date of this report, the Company has Five Directors, out of which There are three Independent Directors and two are executive directors including one women director .

#### a) Appointment/Re-appointment of Directors of the Company

- Mr. Sreenivasa Sreekanth Uppuluri was appointed as an Additional Director and Chairman and Managing Director of the Company w.e.f. 26th May 2022 for the period of 5 years and was regularized in the AGM was held on 27th September 2022
- Mr. Y.Ramesh Reddy was appointed as an Additional Director and Whole time Director of the Company w.e.f. 26th May 2022 for the period of 5 years and was regularised in the AGM was held on 16th September 2022.



## KLK ELECTRICAL LIMITED

- Appointment of Mrs. SrinvaniNandiraju as Independent Director in the Woman Category of the Company with effect from 26th May 2022.
- Appointment of Mr.GarimellaJayachand as Independent Director of the Company with effect from 26th May 2022.
- Appointment of Mr. RavikanthAndhavarapuas an Independent Director of the company with effect from 26th May 2022.

In accordance with the provisions of the companies Act, 2013 and Articles of Association of the company, Mr.R. Ravikumar Rao non-independent - executive director, retire by rotation at the ensuing annual general meeting (AGM) and has expressed his unwillingness for re-appointment be and is hereby relieved and the vacancy so caused on the Board of the Company be not filled-up. Mr. Ravikumar Rao will vacate the office on conclusion of AGM.

b) Key Managerial Personnel:

Key Managerial Personnel for the financial year 2021-22

- Mr. R.Ravikumar Rao Executive Director of the company.
- Mr. Rajarao, Chief Financial officer of the company.
- Ms. Raghavan Gopaldaswamy as company secretary and Compliance officer of the company.

23. Board meetings & directors attendance:

The Board of Directors duly met 7(Seven) times i.e. 21st June 2021, 12th August 2021, 2nd September 2021, 2nd November 2021, 11th November 2021, 20th January 2022, 28th January 2022. The maximum time gap between any two Board meetings during this period did not exceed four months at any point in time.

Name	Designation	Attendance Particulars	
		Meetings held during the Year	Board Meetings attended
R.Ravikumarrao	Wholetime Director	7	7
A.Naveen Kumar	Independent Director	7	6
M.Durgaprasada Rao	Independent Director	7	5
J.Sujatha	Independent Director	7	7

24. Committees of the board:

The Company has three Board-level Committees - Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of service for Committee members are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided in Boards Report:

25. Audit committee:

Terms of reference of Audit committee covers all the matters prescribed under Regulation 18 of the Listing Regulations and Section 177 of the Act, 2013.

- A. Brief Description of Terms of Reference: - Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
- a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

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## KLK ELECTRICAL LIMITED

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- b. Recommending the appointment and removal of External Auditors, fixation of audit fee and approval for payment for any other services;
- c. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- d. Approval of payment to statutory auditors for any other services rendered by them.
- e. Review with the management and statutory auditors of the annual financial statements before submission to the Board with particular reference to:
  - i) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - ii) Changes, if any, in accounting policies and practices and reasons for the same;
  - iii) Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv) Significant adjustments made in the financial statements arising out of audit findings;
  - v) Compliance with listing and other legal requirements relating to financial statements
  - vi) Disclosure of any related party transactions;
  - vii) Modified opinion(s) in the draft audit report;
- f. Review of the quarterly and half yearly financial results with the management and the statutory auditors;
- g. Examination of the financial statement and the auditors' report thereon;
- h. Review and monitor statutory auditor's independence and performance and effectiveness of audit process;
- i. Approval or any subsequent modification of transactions with related parties;
- j. Scrutiny of inter-corporate loans and investments;
- k. Review of valuation of undertakings or assets of the company wherever it is necessary;
- l. Evaluation of internal financial controls and risk management systems;
- m. Review with the management, statutory auditors and the internal auditors about the nature and scope of audits and of the adequacy of internal control systems;
- n. 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;
- o. 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;
- p. Consideration of the reports of the internal auditors and discussion about their findings with the management and suggesting corrective actions wherever necessary;
- q. Look into the reasons for any substantial defaults in payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividend) and creditors, if any;
- r. Review the functioning of the whistle blower mechanism;
- s. Review and monitor the end use of funds raised through public offers and related matters;
- t. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- u. Frame and review policies in relation to implementation of the Code of Conduct for Prevention of Insider Trading and supervise its implementation under the overall supervision of the Board;

## KLK ELECTRICAL LIMITED

- v. Discharge such duties and functions as indicated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and the rules made thereunder from time to time.
- w. Review of the following information:
- management discussion and analysis of financial condition and results of operations;
  - statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - management letters / letters of internal control weaknesses issued by the statutory auditors;
  - internal audit reports relating to internal control weaknesses;
  - The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
  - Statement of deviations as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1).
  - Annual statement of funds utilized for purposes other than those stated in the offer document /prospectus / notice in terms of Regulation 32(7).
  - The Audit Committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company.
  - Carrying out any other function as may be referred to the Committee by the Board.
  - Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.

### B. Internal Audit:

The Company has adequate internal control and Internal Audit system commensurate with its size and nature of its business. The Internal Audit Plan is approved by the Audit Committee and the Internal Auditors directly present their report to the Audit Committee for their consideration.

### C. Composition, Meetings & Attendance:

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the Listing Regulations and the provisions of Section 177 of the Act. All members of the Committee are financially literate, with Mr. M. Durgaprasada Rao as Chairman of the Committee, having the relevant accounting and financial management expertise.

The composition of the Audit Committee and the details of the meetings attended by its members during the financial year ended 31st March 2022 are as under:

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. M. Durgaprasada Rao	Chairman	NED(I)	4	4
Mrs. Sujata	Member	NED(I)	4	4
Mr. Ravikumar Rao	Member	ED(I)	4	4

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## KLK ELECTRICAL LIMITED

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The Audit Committee met 4 times during the financial year 2021-22 and the gap between any two meetings did not exceed 120 days. The dates on which the Audit Committee Meetings held were: 21st June 2021, 12th August 2021, 11th November 2021 and 28th January 2022. Requisite quorum was present at the above Meetings.

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

During the year, the Audit Committee inter alia reviewed key audit findings covering Operational, Financial and Compliance areas, Risk Mitigation Plan covering key risks affecting the Company which were presented to the Committee. The Chairman of the Audit Committee briefed the Board members on the significant discussions which took place at Audit Committee Meetings.

### 26. Nomination and remuneration committee:

The Nomination and Remuneration Committee ('NRC') functions in accordance with Section 178 of the Act, Regulation 19 of the Listing Regulations and its Charter adopted by the Board. The terms of reference of the NRC includes:

- Recommend to the Board the setup and composition of the Board, including formulation of the criteria for determining qualifications, positive attributes and independence of a Director.
- Periodical review of composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- Support the Board in matters related to the setup, review and refresh of the Committees.
- Devise a policy on Board diversity.
- Recommend to the Board the appointment or reappointment of Directors.
- Recommend to the Board how the Company will vote on resolutions for appointment of Directors on the Boards of its material subsidiaries.
- Recommend to the Board, the appointment of Key Managerial Personnel (KMP) and executive team members.
- Carry out the evaluation of every Director's performance and support the Board and Independent Directors in the evaluation of the performance of the Board, its Committees and individual Directors, including formulation of criteria for evaluation of Independent Directors and the Board.
- Oversee the performance review process for the KMP and executive team with the view that there is an appropriate cascading of goals and targets across the Company.
- Recommend the Remuneration Policy for the Directors, KMP, executive team and other employees.
- On an annual basis, recommend to the Board the remuneration payable to Directors, KMP and executive team of the Company.
- Review matters related to remuneration and benefits payable upon retirement and severance to MD/EDs, KMP and executive team.
- Review matters related to voluntary retirement and early separation schemes for the Company.
- Provide guidelines for remuneration of Directors on material subsidiaries.
- Recommend to the Board how the Company will vote on resolutions for remuneration of Directors on the Boards of its material subsidiaries.
- Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of the Board, KMP and executive team members.
- Oversee familiarization Programmes for Directors.
- Review HR and People strategy and its alignment with the business strategy periodically, or when a change is made to either.

## KLK ELECTRICAL LIMITED

- Review the efficacy of HR practices, including those for leadership development, rewards and recognition, talent management and succession planning.
- Perform other activities related to the charter as requested by the Board from time to time.

### A. Composition of the committee, meetings and attendance during the year:

There was one meeting of Nomination and Remuneration Committee Meetings held during the financial year 2021-2022 on 2nd September 2021.

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mrs. Sujata	Chairman	NED(I)	1	1
Mr. Ravikumar Rao	Member	ED	1	1
Mr. M. Durgaprasada Rao	Member	NED(I)	1	1

### 27. Stakeholder's relationship committee:

Terms of reference of the committee comprise of various matters provided under Regulation 20 of the Listing Regulations and section 178 of the Act, 2013 which inter-alia include:

- (i) 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.
- (ii) Proactively communicate and engage with stockholders including engaging with the institutional shareholders at least once a year along with members of the Committee/Board/ KMPs, as may be required and identifying actionable points for implementation.
- (iii) Review of measures taken for effective exercise of voting rights by shareholders.
- (iv) 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.
- (v) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The Committee comprises of 3 Independent Directors in the financial year 2021-22, 1 meeting of the Committee were held on 28th January 2022. Composition of committees and member's attendance at the meetings during the year are as under:

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. A.Naveen Kumar	Member	NED(I)	1	1
Mrs. J.Sujatha	Member	NED(I)	1	1
Mr. Durgaprasada Rao	Chairman	NED(I)	1	1

### 28. Statutory audit and auditors report:

The members of the Company at their Annual General Meeting held on 30th September, 2021 have appointed M/s.Anant Rao Malik., as statutory auditors of the Company to hold office until the conclusion of 44th Annual General meeting of the Company. The Auditors' Report for fiscal year 2021-2022 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report. The Company has received audit report with unmodified opinion for Standalone Audited Financial Results of the Company for the Financial Year ended March 31, 2022 from the statutory auditors of the Company.

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## KLK ELECTRICAL LIMITED

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The Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

### **29. Secretarial Auditor & Audit Report:**

In terms of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based upon the recommendations of the Audit Committee, the Board of Directors had appointed M/s. Lakshmmi Subramanian & Associates, Practicing Company Secretaries (CP No. 3122) as the Secretarial Auditor of the Company, for conducting the Secretarial Audit for financial year ended March 31, 2022.

The Secretarial Audit was carried out by M/s. Lakshmmi Subramanian & Associates, Company Secretaries (CP No3122 ) for the financial year ended March 31, 2022. The Report given by the Secretarial Auditor is annexed herewith as Annexure-I and forms integral part of this Report.

#### **Secretarial Auditors Qualification:**

The Company will take adequate Steps to improve its compliance in accordance with SS2 standards

### **30. Cost records and cost audit:**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the business activities carried out by the Company.

### **31. No Frauds reported by statutory auditors:**

During the Financial Year 2021-22, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3) (ca) of the Companies Act, 2013.

### **32. Declaration by the Company:**

None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164 (2) of the Act read with Rule 14 of Companies (Appointment and Qualifications of Directors) Rules, 2014.

### **33. Conservation of energy, technology absorption and foreign exchange outgo:**

The required information as per Sec.134 (3) (m) of the Companies Act 2013 is provided hereunder and Rule 8 of Companies (Accounts) Rules, 2014:

#### **A. Conservation of Energy:**

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

#### **B. Technology Absorption:**

1. Research and Development (R&D): NIL
2. Technology absorption, adoption and innovation: NIL

#### **C. Foreign Exchange Earnings and Out Go:**

1. Foreign Exchange Earnings: Nil
2. Foreign Exchange Outgo: Nil

### **34. Annual Return:**

Pursuant to Sections 92 & 134(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return in Form MGT-7 is also available on the Company's website URL: <https://www.klk.co.in>

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## KLK ELECTRICAL LIMITED

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### 35. Declaration of independence:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with both the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) read with Regulation 25 of the Listing Regulations.

In compliance with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014, all the PIDs of the Company have registered themselves with the India Institute of Corporate Affairs (IICA), Manesar and have included their names in the databank of Independent Directors within the statutory timeline.

The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors and Committee(s).

### 36. Internal Financial Control;

Your Company has well laid out policies on financial reporting, asset management, adherence to Management policies and also on promoting compliance of ethical and well-defined standards. The Company follows an exhaustive budgetary control and standard costing system. Moreover, the management team regularly meets to monitor goals and results and scrutinizes reasons for deviations in order to take necessary corrective steps. The Audit Committee which meets at regular intervals also reviews the internal control systems with the Management and the internal auditors.

The internal audit is conducted at the Company and covers all key areas. All audit observations and follow up actions are discussed with the Management as also the Statutory Auditors and the Audit Committee reviews them regularly

37. Particulars of Loans and Guarantees or Investments: There are no loans and Guarantees for the current financial year for the Company.

38. Particulars of Employees: Mr, Raghavan was in the rolls of the Company for the Financial Year.

(a) The information required under section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure-3.

(b) The information required under Section 197(12) of the Companies Act, 2013 ("the Act") read with Rule 5(2) & of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. However, pursuant to first proviso to Section 136(1) of the Act, this Report is being sent to the Shareholders excluding the aforesaid information.

### 39. Corporate social responsibility policy:

Since your Company does not have net worth of Rs. 500 Crore or more or turnover of Rs. 1000 Crore or more or a net profit of Rs. 5 Crore or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

### 40. Secretarial Standards:

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively. During the year under review, the Company was in compliance with the

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## KLK ELECTRICAL LIMITED

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Secretarial Standards (SS) i.e., SS-1 and SS- 2, relating to “Meetings of the Board of Directors” and “General Meetings”, respectively.

### **41. Director’s Responsibility Statement:**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that for the financial year ended March 31, 2022:

- a) in the preparation of the annual accounts for the financial year ended 31 March 2022, the applicable accounting standards and schedule III of the Companies Act, 2013 have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as on 31 March 2022 and of the profit and loss of the Company for the financial year ended 31 March 2022;
- c) proper and sufficient care has been taken 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 annual accounts have been prepared on a going concern basis;
- e) Proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) Proper systems to ensure compliance with the provisions of all applicable laws were followed and that such systems were adequate and operating effectively.

### **42. Risk Management:**

The Board of Directors had constituted Risk Management Committee to identify elements of risk in different areas of operations and to develop policy for actions associated to mitigate the risks. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continual basis.

### **43. Management discussion and analysis report:**

Management discussion and analysis report for the year under review as stipulated under Regulation 34(2) (e) read with schedule V, Part B of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 with the stock exchange in India is annexed herewith as Annexure- ii to this report.

### **44. Related Party Transactions:**

During the year under review, the Company had not entered in to any materially significant transaction with any related party that may have potential conflict with the interests of the Company at large. All the related party transactions during the year are in the ordinary course of business and on arm’s length basis.

Transactions with the Related Parties as required under Indian Accounting Standard- 24 are disclosed forming part of this Annual Report

### **45. Corporate governance and shareholders information:**

Since the paid-up capital of the Company is less than Rs. 10 Crores and Net worth of the Company is less than Rs. 25 Crores, Corporate Governance is Not Applicable.

### **46. Vigil mechanism/ whistle blower policy:**

The Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The Company promotes ethical behaviour and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle-blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may report their genuine concerns to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.



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## KLK ELECTRICAL LIMITED

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Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. The same has been placed on the website of the Company [www.klk.co.in](http://www.klk.co.in).

**47. Ratio of remuneration to each director:**

Disclosure pertaining to remuneration and other details as required under section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure-II to this Report.

The Statement containing the particulars of employees as required under section 197(12) of the Companies Act, 2013 read with rule 5(2) and other applicable rules (if any) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report.

**48. Shares transferred to investor education and protection fund:**

No shares were transferred to the Investor Education and Protection Fund during the year under review.

**49. Non-executive directors' compensation and disclosures:**

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

**50. Industry based disclosures as mandated by the respective laws governing the company:**

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

**51. Corporate insolvency resolution process initiated under the insolvency and bankruptcy code, 2016.**

No corporate insolvency resolution processes were initiated against the Company under the Insolvency and Bankruptcy Code, 2016, during the year under review.

**52. Statutory compliance:**

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

**53. CEO/ CFO Certification:**

Certification from the Managing Director on the financial statements u/r regulation 17 (8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 for the year 2021-2022 is annexed in this Annual Report.

**54. Code of conduct for the prevention of insider trading:**

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the Company has formulated a Code of Conduct for Prevention of Insider Trading ("Insider Trading Code") and a Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information ("UPSI").

The Code of Practices and Procedures for fair disclosure of UPSI is available on the website of the Company at [www.klk.co.in](http://www.klk.co.in)

**55. Prevention of sexual harassment at workplace:**

The Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various policies and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has adopted a policy on Prevention of Sexual Harassment at Workplace which aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behaviour. An Internal Complaints Committee ("ICC") has been set up by the senior

## KLK ELECTRICAL LIMITED

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management (with women employees constituting the majority). The ICC is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the Policy.

During the financial year ended March 31, 2022, no complaints pertaining to sexual harassment have been received.

### 56. Green Initiatives:

In commitment to keep in line with the Green Initiative and going beyond it to create new green initiatives, electronic copy of the Notice of 41st Annual General Meeting of the Company are sent to all Members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their e-mail addresses, physical copies are sent through the permitted mode.

### 57. Event Based Disclosures:

During the year under review, the Company has not taken up any of the following activities:

1. Issue of sweat equity share: NA
2. Issue of shares with differential rights: NA
3. Issue of shares under employee's stock option scheme: NA
4. Disclosure on purchase by Company or giving of loans by it for purchase of its shares: NA
5. Buy back shares: NA
6. Disclosure about revision: NA
7. Preferential Allotment of Shares: Disclosed with in Timelines,
8. Appreciation & acknowledgement:

Your directors place on records their appreciation for the overwhelming co-operation and assistance received from the investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your directors also thanks the employees at all levels, who through their dedication, co-operation, support and smart work have enabled the company to achieve a moderate growth and is determined to poise a rapid and remarkable growth in the year to come.

Your directors also wish to place on record their appreciation of business constituents, banks and other "financial institutions and shareholders of the Company like SEBI, BSE, NSDL, CDSL, Banks etc. for their continued support for the growth of the Company.

**For and on behalf of the Board of  
KLK Electrical Limited**

**Sd/-  
R.Ravikumar Rao  
Director  
DIN-06432101**

**Date: 05-09-2022  
Place: Chennai**

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# KLK ELECTRICAL LIMITED

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## ANNEXUTRE-1 SECRETARIAL AUDIT REPORT

**S. SETHI & CO.**  
Practising Company

### Secretarial Audit Report for the financial year ended 31.03.2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
KLK Electrical Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KLK Electrical Limited (hereinafter called the company). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have also examined the following with respect to the new amendment issued vide SEBI Circular number CIR/CFD/CMD1/27/2019 dated 8<sup>th</sup> February, 2019 (Regulation 24A of SEBI (LODR)).

- (a) all the documents and records made available to us and explanation provided by KLK Electrical Limited ("the Listed Entity"),
- (b) the filings/submissions made by the Listed Entity to the Stock Exchanges,
- (c) website of the listed entity,
- (d) books, papers, minute books, forms and returns filed with the Ministry of Corporate Affairs and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions as applicable to the Company during the period of audit and subject to the reporting made hereinafter and in respect of all statutory provisions listed hereunder:
  - 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;

## KLK ELECTRICAL LIMITED

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- iv. 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (e) 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 to the extent of securities issued;
  - (f) The Listing Agreement entered into by the Company with the Stock Exchanges where the Securities of the Company are listed and the uniform listing agreement with the said stock exchanges pursuant to the provisions of the SEBI (Listing obligations and Disclosure Requirements) Regulations 2015.
  - (g) Secretarial Standard with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.
  - (h) 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; requiring compliance thereof by the Company during the Financial Year under review with respect to direct investment..

Since the Company is not active in operation no specific laws are applicable to the Company.

It is reported that during the period under review, the Company has been regular in complying with the provisions of the Act, Rules, Regulations and Guidelines, as mentioned above except the following:

1. Both ODI and FDI forms with relation to swap of shares which requires to be filed with RBI was filed with late fee
2. The Company's Promoter Shareholding is not 100% Dematerialized.
3. There were delay in filing few e-forms like SH 7 & and DIR 12 however the same was filed with additional fee with the Registrar of Companies.
4. The company is under the process of filing MGT 14 for as required under Section 179 of the Companies Act 2013
5. The Company is yet to improve in certain areas as provided under SEBI (Listing Obligations and Disclosure Requirements) regulations 2015.
6. The website of the company is not actively updated.
7. Secretarial Standard with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) needs to be improved.

## KLK ELECTRICAL LIMITED

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We further report that there were no actions/events in the pursuance of:

1. The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014 and the Employees Stock Option Scheme, 2007 approved under the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
2. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
3. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
4. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

We further report that, on examination of the relevant documents and records and based on the information provided by the Company, the Company's operation does not require monitoring system and the same is monitored by the Key managerial personnel wherever applicable

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by Statutory financial auditor and other designated professionals.

We further report that

The Board of Directors of the Company is constituted with Executive and Independent Directors. The changes made during the period under review, the Company has complied with the procedures as per law.

Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were delivered except in delay and maintenance of quorum for audit committee meeting. Proper formats and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that during the audit period no events have occurred, which have a major bearing on the Company's affairs, except the following:

1. The company has increased the Authorized capital from Rs.5 crore divided into 50,00,000 (fifty lakh) number of equity shares of face value of Rs.10/- to Rs.10 crore divided into 100,00,000 (One crore) number of equity shares of Rs.10/- (Rupees Ten only) each
2. The company has made an investment of Rs.15 crores in M/s. Edvenswa Tech Inc. by issuing 60,00,000 Equity Shares at Rs.25 to Mr. Sreenivasa Sreekanth Uppuluri in

## KLK ELECTRICAL LIMITED

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lieu of Purchase of 60,00,000 Common Stock valued at Rs. 25/- of Edvenswa Tech INC, held by Mr. Sreenivasa Sreekanth Uppuluri.

3. The company has issued 12,00,000 Equity Share Warrants convertible into Equity Shares at a Price of Rs.25/- per Equity Warrant with the right to warrant holder to apply for and be allotted 1(One) Equity share of face value of Rs.10 each of the Company at a premium of Rs.15/- per equity share for each warrant within a period of 18 (Eighteen) months from the date of allotment of warrants, aggregating up to Rs. 3,00,00,000/-(Rupees Three Crores Only) to Mr. Yerradoddi Ramesh Reddy.

There are no material events after the end of the financial year 31st March 2022:

Place: Chennai  
Date: 29-07-2022

**For Lakshmmi Subramanian & Associates**



P.S. Srinivasan  
Partner

C.P.No. 3122

UDIN: A001090D000709237

Peer Review Certificate no. 1670/2022

# KLK ELECTRICAL LIMITED

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## ANNEXURE - A

To,  
The Members  
KLK Electrical Limited

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 the random 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. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a random 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.

Place: Chennai  
Date: 29-07-2022

**For Lakshmmi Subramanian & Associates**



P.S. Srinivasan  
Partner

C.P.No. 3122

UDIN: A001090D000709237

Peer Review Certificate no. 1670/2022

# KLK ELECTRICAL LIMITED

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## ANNEXURE-II

### Management Discussion & Analysis

The Global economy started recovering post covid with support given by respective Governments of various countries, but in later part of the year uncertainties also started clouding the sentiment of the business on possible recession due to tensions among various countries, impact of supply chain disruption due to covid in China and also due to shipping/ logistics being disrupted in many key areas. However, despite this some segments grew year on year like health care, Pharma, 3PL (3rd party logistics) company due to hike in the transportation charges etc. Entire software sector was able to sustain because their workforce was able to 'work from home', this increased the demand for skilled and experienced talent and across the globe the world saw the impact of 'Great Resignation' that caused attrition. Despite all the challenges, there were opportunities for companies to grow and be profitable due to lower operational costs and increased productivity due to the workforce putting in more work hours while working from home.

Some of the specific themes that are expected to play foundational role in 2022 and beyond include:

- Taking cloud and everything-as-a-service to the next level. As more companies embrace cloud and service-based IT to drive innovation and transformation, and as XaaS providers multiply, more work will be needed to manage the technical and operational complexities of hybrid, multi-cloud approaches.
- Creating the supply chains of the future. As technology companies continue to recover from pandemic-induced supply chain disruptions, they will start proactively preparing for future uncertainty and other systemic risks. To do it, they'll build systems with better visibility and resiliency.
- Building the next iteration of the hybrid workforce. With more experience utilizing a hybrid workforce under their collective belts, tech companies will evolve their cultures, accelerate experimentation with collaboration solutions, and develop better approaches to managing tax implications.
- Leading the charge to create a sustainable future. Although the tech industry is working to address critical sustainability issues, growing pressure from stakeholders and potential changes to environmental, social, and governance (ESG) reporting rules will incite tech companies to heighten their focus on reducing and reversing environmental impact.
- Your company is preparing itself to capitalise on these growth trends.
- At the start of 2022, many of these issues remain front and centre



# KLK ELECTRICAL LIMITED

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## ANNEXURE-iii

### Information pursuant to Section 197 of the Act read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.]

- a) The information required under Section 197 of the Act read with rule 5(1) of the Companies (appointment and remuneration of Managerial Personnel)
- i. The Ratio of the remuneration of each director to the median remuneration of the employees of the company and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager, if any for the financial year 2021-2022

Name of the Director/ Key Managerial Personnel	Ratio of the remuneration to the median remuneration of the employees
Mr.Rayapuraju RaviKumar Rao	Nil

No remuneration was paid to other directors.

- ii) The Percentage increase in remuneration of each director ,CFO/CEO or manager if any in the financial year.nil
- iii) The percentage increase in the median remuneration of employees in the financial year: 8.38%
- (iv) Average percentile increases 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;
- (V) During the course of the year, the total increase was approximately 10%, after accounting for promotions and other event based compensation revisions. Increase in the managerial remuneration for the year was.
- vi) Affirmation that the remuneration is as per the remuneration policy of the company. The Company affirms remuneration is as per the remuneration policy of the Company

# KLK ELECTRICAL LIMITED

## ANNEXURE -IV

### 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

(Information in respect of each subsidiary to be presented with amounts in Indian Rupees )

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Edvenswa Tech INC
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-03-2022
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees
4.	Share capital	18,86,46,991
5.	Reserves & surplus	-
6.	Total assets	24,70,60,570
7.	Total Liabilities	5,84,13,578
8.	Investments	-
9.	Turnover	10,99,36,957
10.	Profit before taxation	2,42,22,221
11.	Provision for taxation	17,63,693
12.	Profit after taxation	2,24,58,428
13.	Proposed Dividend	Nil-
14.	% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

# KLK ELECTRICAL LIMITED

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## Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures			
1. Latest audited Balance Sheet Date	NIL	NIL	NIL
2. Shares of Associate/Joint Ventures held by the company on the year end	NIL	NIL	NIL
No.			
Amount of Investment in Associates/Joint Venture			
Extend of Holding%	NIL	NIL	NIL
3. Description of how there is significant influence	NIL	NIL	NIL
4. Reason why the associate/joint venture is not consolidated	NIL	NIL	NIL
5. Net worth attributable to shareholding as per latest audited Balance Sheet	NIL	NIL	NIL
6. Profit/Loss for the year			
i. Considered in Consolidation	NIL	NIL	NIL
ii. Not Considered in Consolidation	NIL	NIL	NIL

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

# KLK ELECTRICAL LIMITED

## Annexure -V

### CERTIFICATE PURSUANT TO REGULATION 45 (3) OF SEBI (LODR) REGULATIONS 2015

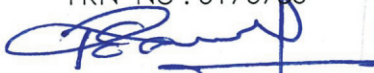
We hereby certify that Ms KLK Electrical Limited , a Company incorporated under the Companies Act, 1956 having its registered office at Plot No. 85, Shop No.1, 4th Street, Ganesh Avenue, Sakthi Nagar, Porur Chennai Chennai TN 600116 has complied with Regulation 45(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to proposed change of name from M/s.KLK Electrical Limited to Edvenswa Enterprises Limited as per regulation 45(1) of SEBI (LODR) Regulations, 2015 which as follows:

S.No.	Conditions	Reasons/Reply
a	A time period of at least one year has elapsed from the last name change;	The company has undergone a name change on 29/09/2011
b.	At least fifty percent. of the total revenue in the preceding one year period has been accounted for by the new activity suggested by the new name; or -	<b>Not Applicable.</b> There is no change in the line of activity consequent to change in the name of the company. The business and objects of the company remain same as before the change of the name of the company.
c.	The amount invested in the new activity/project is at least fifty percent of the assets of the listed entity.	<b>Not Applicable.</b> There is no change in the line of activity consequent to change in the name of the company. The business and objects of the company remain same as before the change of the name of the company.

**For ERR & Associates**

Chartered Accountants

FRN No : 017078S



**E.Rajeshwer Reddy**

Proprietor

M.No.240810

**UDIN : 22240810AQSDQG8888**



Place: Hyderabad

Date : 02.09.2022

## KLK ELECTRICAL LIMITED

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### COMPLIANCE CERTIFICATE (Pursuant to Regulation 17(8) of the SEBI (LODR) Regulations, 2015)

To The Board of Directors,

KLK Electrical Limited,

We, the undersigned in our respective capacities as Executive Director and Chief Financial Officer of KLK Electrical Limited ("the Company"), to the best of our knowledge and belief certify that:

- (A) We have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2021 and based on our knowledge and belief, we state that:
- i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- (C) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (D) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
- i. significant changes, if any, in the internal control over financial reporting during the year;
  - ii. significant changes, if any, in the accounting policies made during the year and the same has been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place: Chennai

Sd/-  
R. Ravi Kumar Rao  
Executive Officer

Sd/-  
G Raja Rao  
Chief Financial Officer

## **KLK ELECTRICAL LIMITED**

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### **Declaration of compliance with the Code of Conduct**

hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended March 31, 2022

**Date : 05-09-2022**

**Sd/-  
R. Ravi Kumar Rao  
Executive Director**

# KLK ELECTRICAL LIMITED

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## INDEPENDENT AUDITORS' REPORT

The Members

KLK ELECTRICAL LIMITED,

Chennai.

Report on the Standalone Ind As Financial Statements

### Opinion

We have audited the accompanying Standalone Ind As financial statements of KLK ELECTRICAL LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, Statement of Profit & Loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind As financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind As,

- a) in the case of Balance Sheet of the state of affairs of the Company as at 31st March, 2022; and
- b) In the case of Statement of Profit & Loss (including other comprehensive Income), of the Profit for the year ended on that date.
- c) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
- d) In the case of statement of 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 Standalone Ind As Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind As 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 opinion.

### Key Audit Matters :

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind As financial statements of the current period. These matters were addressed in the context of

our audit of the Standalone Ind As financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Responsibility Management for the Standalone Ind As 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 Ind As 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 accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind As financial statements that give a true and fair

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## KLK ELECTRICAL LIMITED

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view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind As 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 Responsibility for the Audit of Standalone Ind As Financial Statements

**Our responsibility is to express an opinion on these Standalone Ind As financial statements based on our audit.**

We have taken into account the provisions of the Act, the Indian accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Standalone Ind As financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind As financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind As financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind As financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind As financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind As financial statements.

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

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we enclose in the "Annexure A", hereto a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we further report that :
  - i) 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.
  - ii) 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.
  - iii) The balance sheet, the statement of profit and loss (including other comprehensive Income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - iv) In our opinion, the aforesaid Standalone Ind As financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - v) On the basis of the written representations received from the Directors as on 31st March, 2022 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2022 from being appointed as a Director in terms of Section 164 (2) of the Act.
  - vi) 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"



## **KLK ELECTRICAL LIMITED**

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- vii) 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 :
- a) Provision relating to Impact of pending litigations on its financial position in its financial Statements – NIL ;
  - b) Provision relating to Material Foreseeable Losses on Long-Term Contracts – Not Applicable. The company neither entered into any derivative contract during the year nor have any outstanding derivative contract at the year end.
  - c) The provision relating to transferring any amounts to the Investor Education and Protection Fund is not applicable to the company during the year.

**For ANANT RAO & MALLIK  
Chartered Accountants  
Firm Regn. No. 006266S**

**Sd/-  
B V MALLIKARJUNA  
Partner  
M. No.023350  
Date :08.04.2022  
UDIN :22023350AGRWLB6206**

# KLK ELECTRICAL LIMITED

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## ANNEXURE - A” to the Auditor’s Report

Statement referred to in our report of even date to the members of KLK ELECTRICAL LIMITED on the Standalone Ind As financial statements for the year ended 31st March, 2022:

- (i) a) The Company has maintained proper records showing full particulars of its Intangible assets.  
b) The company does not have any Tangible Fixed Assets.
- (ii) The company does not carry any inventories; hence the clauses in respect of inventories are Not applicable.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered under section 189 of the Companies Act, 2013 and hence this clause is not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, company has complied with the provisions of section 185 and Section 186 of Companies Act, 2013 is not applicable to the company.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) The Central Government has not prescribed maintenance of Cost Records under sub – section (1) of section 148 of the Companies Act, 2013.
- (vii) a) The Company has not carried on any business activity during the year and hence, this clause relating to payment of undisputed statutory dues is not applicable.  
b) The Company is not having any disputed liabilities relating to Income Tax or Sales Tax or Service Tax or GST or Cess as at the year end.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not taken any loans from banks/financial institutions and hence clause of default is not applicable.
- (ix) whether the company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, Not applicable.
- (x) On the basis of our examination of records and according to the information and explanations given to us, the Company has not raised any money by way of public offer (including debt instruments) or by way of term loan during the year and hence the clause relating to application of funds is not applicable.
- (xi) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers/employees has been noticed or reported during the year that causes the Standalone Ind As financial statements materially misstated.
- (xii) The Company is not a Nidhi Company. Therefore, clause (xii) of paragraph 3 of the said order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the Standalone Ind As financial statements as required by the applicable accounting standards.
- (xiv) whether the company has an internal audit system commensurate with the size and nature of its business, Not Applicable.
- (xv) On the basis of our examination of records and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year under the provisions of section 192 of the Act. Therefore, clause (xv) of paragraph 3 of the said order is not applicable to the Company.

## KLK ELECTRICAL LIMITED

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- (xvi) On the basis of our examination of records and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (xvii) whether the Company has incurred cash losses in the Financial Year and in the immediately preceding Financial year, Not Applicable.
- (xviii) whether there has been any resignation of the statutory auditors during the year, Not Applicable
- (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, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.
- (xx) whether, in respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act, Not Applicable
- (xxi) whether there have been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements, Not Applicable

**For ANANT RAO & MALLIK  
Chartered Accountants  
Firm Regn. No. 006266S**

**Sd/-  
B V MALLIKARJUNA  
Partner  
M. No.023350  
Date :08.04.2022  
UDIN :22023350AGRWLB6206**

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# KLK ELECTRICAL LIMITED

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## ANNEXURE B” TO THE INDEPENDENT AUDITOR’S

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

We have audited the internal financial controls over financial reporting of KLK ELECTRICAL LIMITED (“the Company”) as of March 31, 2022 in conjunction with our audit of the Standalone Ind As financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls :**

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

### **Auditors’ Responsibility :**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 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 controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting :**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind As 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;**

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind As financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the Standalone Ind As financial statements.

## **KLK ELECTRICAL LIMITED**

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### **Inherent Limitations of Internal Financial Controls over Financial Reporting :**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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 ANANT RAO & MALLIK  
Chartered Accountants  
Firm Regn. No. 006266S**

**Sd/-  
B V MALLIKARJUNA  
Partner  
M. No.023350  
Date : 08.04.2022  
UDIN :22023350AGRWLB6206**

# KLK ELECTRICAL LIMITED

## STANDALONE BALANCE SHEET AS AT 31-03-2022

Particulars	Note No.	31-03-2022	31-03-2021
		Rs.	Rs.
<b>ASSETS</b>			
<b>1. Non Current Assets :</b>			
a) Property, Plant and Equipment		-	-
b) Other Intangible Assets	1	55,62,573	55,62,573
c) Financial Assets :			
i) Investments	2	15,05,35,001	25,35,001
<b>2. Current Assets :</b>			
a) Financial Assets :			
i) Trade Receivables	3	1,62,31,441	87,52,747
ii) Cash and Cash Equivalents	4	75,11,634	16,383
iii) Loans & Advances	5	1,14,37,000	24,54,500
<b>TOTAL</b>		19,12,77,649	1,93,21,204
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY :</b>			
a) Equity Share Capital	6	8,65,00,000	2,65,00,000
b) Other Equity	7	9,46,46,991	(83,50,796)
c) Share Warrants Application Money		75,00,000	-
<b>LIABILITIES :</b>			
<b>1. Non Current Liabilities :</b>			
a) Financial Liabilities :			
		-	-
<b>2. Current Liabilities :</b>			
a) Loans And Advances Received	8	3,64,000	-
b) Other Current Liabilities	9	15,54,157	11,72,000
c) Short Term Provisions	10	7,12,500	-
<b>TOTAL</b>		19,12,77,649	1,93,21,204

Significant Accounting Policies and Notes A & B  
to the Financial Statements

The accompanying notes are an integral part of the financial statements

for ANANT RAO & MALLIK  
Chartered Accountants  
FRN : 006266S

B V MALLIKARJUNA  
Partner  
M.No. 023350  
Date : 08.04.2022  
UDIN : 22023350AGRWLB6206

FOR AND ON BEHALF OF BOARD

Sd/-  
R.RAVI KUMAR RAO  
Director

Sd/-  
SUJATA JONNAVITTULA  
Director

# KLK ELECTRICAL LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-03-2022

Particulars		Note No.	2021-22	2020-21
			Rs.	Rs.
<b>INCOME :</b>				
I	Revenue from Operations		50,23,760	1,04,12,353
II	Other Income	11	1,01,45,674	1,00,000
III	<b>Total Revenue ( I + II )</b>		1,51,69,434	1,05,12,353
<b>EXPENDITURE :</b>				
	a) Cost of Inputs		-	99,30,686
	b) Employees Benefits Expenses	12	3,65,000	3,60,000
	c) Other Expenses	13	10,94,146	9,03,014
	<b>Total Expenses</b>		14,59,146	1,11,93,700
V	<b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX</b>	(III - IV)	1,37,10,287	(6,81,347)
VI	Less : Exceptional Items :			-
VII	<b>PROFIT BEFORE TAX</b>	(V - VI)	1,37,10,287	(6,81,347)
VIII	<b>Tax Expense :</b>			
	a) Current Tax - Current Year		7,12,500	-
	c) Deferred Tax		-	-
IX	<b>PROFIT AFTER TAX</b> (from continuing operations)	(VII - VIII)	1,29,97,787	(6,81,347)
X	Other Comprehensive Income Items that will not be reclassified to profit or loss		-	-
XII	<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>	<b>IX+X</b>	<b>1,29,97,787</b>	<b>(6,81,347)</b>
	Earnings Per Share - Basic		3.45	(0.26)

Significant Accounting Policies and Notes  
to the Financial Statements

A & B

The accompanying notes are an integral part of the financial statements

for ANANT RAO & MALLIK  
Chartered Accountants  
FRN : 006266S

FOR AND ON BEHALF OF BOARD

Sd/-  
R.RAVI KUMAR RAO  
Director

B V MALLIKARJUNA  
Partner  
M.No. 023350  
Date : 08.04.2022  
UDIN : 22023350AGRWLB6206

Sd/-  
SUJATA JONNAVITTULA  
Director

# KLK ELECTRICAL LIMITED

## Cash Flow Statement for the year ended 31st March, 2022

	Particulars	2021-22 Rs.	2020-21 Rs.
<b>A.</b>	<b>Cash Flow from Operating Activities</b>		
	Net Profit / (Loss) before Tax	1,29,97,787	(6,81,347)
	<u>Adjustments for:</u>		
	Depreciation	-	-
	Dividend Received	(1,20,000)	(92,500)
	<b>Operating Profit before Working Capital Changes</b>	<b>1,28,77,787</b>	<b>(7,73,847)</b>
	Decrease / (Increase) in Trade Receivables	(74,78,694)	(70,740)
	Increase / (Decrease) in Loans And Advances Received	3,64,000	-
	Increase / (Decrease) in Short Term Provisions	7,12,500	-
	Increase / (Decrease) in Other Current Liabilities	3,82,157	1,97,162
	<b>Cash generated from Operating Activities</b>	<b>68,57,751</b>	<b>(6,47,425)</b>
	Income Tax Paid	-	-
	<b>Net Cash Flow from Operating Activities</b>	<b>68,57,751</b>	<b>(6,47,425)</b>
<b>B.</b>	<b>Cash Flow from Investing Activities</b>		
	Acquisition of Fixed Assets	-	-
	Changes In Advances	(89,82,500)	5,17,500
	Changes in Investments	(14,80,00,000)	-
	Dividend received	1,20,000	92,500
	<b>Net Cash Flow from Investing Activities</b>	<b>(15,68,62,500)</b>	<b>6,10,000</b>
<b>C.</b>	<b>Cash Flow from Financing Activities</b>		
	Share Warrants Application Money	75,00,000	-
	Shares Issued	6,00,00,000	-
	Securities Premium Received	9,00,00,000	-
	<b>Net Cash Flow from Financing Activities</b>	<b>15,75,00,000</b>	<b>-</b>
	<b>Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>74,95,251</b>	<b>(37,425)</b>
	Opening Cash and Cash Equivalents	16,383	53,808
	<b>Closing Cash and Cash Equivalents</b>	<b>75,11,634</b>	<b>16,383</b>
<b>Notes:</b>			
1	The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (Ind As 3) 'Cash Flow Statements' notified by the Central Govt under Companies (Accounting Standards) Rules, 2006.		
2	Previous year figures have been regrouped / rearranged, wherever necessary to conform to the current period classification.		

for ANANT RAO & MALLIK  
Chartered Accountants  
FRN : 006266S

B V MALLIKARJUNA  
Partner  
M.No. 023350  
Date : 08.04.2022  
UDIN : 22023350AGRWLB6206

FOR AND ON BEHALF OF BOARD

Sd/-  
R.RAVI KUMAR RAO  
Director

Sd/-  
SUJATA JONNAVITTULA  
Director



## KLK ELECTRICAL LIMITED

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### 1 Other Intangible Assets :

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
a) Technical Know how	55,62,573	55,62,573
	55,62,573	55,62,573

### 2 Investments :

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
<b>a) Investments in Equity Shares</b> (at cost)		
- M/s. EDVENSWA TECH INC, USA (60,00,000 Equity Shares)	15,00,00,000	-
- Others	5,35,001	25,35,001
	15,05,35,001	25,35,001

### 3 Trade Receivables :

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
Sundry Debtors : (Unsecured and Considered good unless otherwise stated)		
- Debts Outstanding for a period exceeding six months	86,82,007	86,82,007
- Other Debts	75,49,434	70,740
	1,62,31,441	87,52,747

## KLK ELECTRICAL LIMITED

### 4 Cash and Cash Equivalents :

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
a) Balances with Banks :		
- Indian Bank - Current Account	10,137	13,883
- Axis Bank - Current Account	74,98,997	-
b) Cash on Hand	2,500	2,500
	<b>75,11,634</b>	<b>16,383</b>

### 5 Loans & Advances

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
a) Advances to Others	19,37,000	24,54,500
b) Advances to Suppliers	95,00,000	-
	<b>1,14,37,000</b>	<b>24,54,500</b>

### 6 Equity Share Capital :

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
<b>Authorized :</b>		
<b>a) Equity Share Capital :</b>		
1,00,00,000 (50,00,000) Equity Shares of Rs. 10/- each	10,00,00,000	5,00,00,000
<b>Total</b>	<b>10,00,00,000</b>	<b>5,00,00,000</b>
<b>Issued, Subscribed and Paid-up :</b>		
<b>a) Equity Share Capital</b>		
86,50,000 (26,50,000) Equity Share of Rs. 10/- each	8,65,00,000	2,65,00,000
<b>Total</b>	<b>8,65,00,000</b>	<b>2,65,00,000</b>

## KLK ELECTRICAL LIMITED

### 6.1

Reconciliation of number of shares	31-03-2022	31-03-2021
	Rs.	Rs.
<b>Equity Shares</b>		
Opening balance	26,50,000	26,50,000
* Issued during the year	60,00,000	-
Closing Balance	86,50,000	26,50,000
<b>Equity Share Warrants</b>		
Opening balance	-	-
*Reduction/Issued during the year	12,00,000	-
Closing Balance	12,00,000	-

### 6.2

Reconciliation of number of shares	31-03-2022		31-03-2021	
	No. of Shares	%	No. of Shares	%
<b>Equity Shares :</b>				
a) RAJENDRA NANIWADEKAR	4,16,100	4.81	4,16,100	15.70
b) J SRI RAMACHANDRA DURGA PRASAD	2,05,000	2.37	2,05,000	7.74
c) G HANUMANTHA RAO	1,57,050	1.82	1,57,050	5.93
d) MAYUR N DHAROD	3,12,000	3.61	3,12,000	11.77
e) SREENIVASA SREEKANTH UPPULURI	60,00,000	69.36	--	--

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

During the period, the Company had issued Equity Shares of 60,00,000 of Rs. 10/- each at Premium of Rs. 15/- each (Total Rs. 25/- each).

The Company had issued 12,00,000 Equity Share Warrants (Convertible into Equity Shares in the ratio of 1 : 1) to Sri Yerradoddi Ramesh Reddy. The said Equity Share Warrants are convertible into Equity Shares with in period of 18 months

# KLK ELECTRICAL LIMITED

## Statement of Changes in Equity for the year ended 31 March 2022

(All amounts in Indian Rupees , except share data and where otherwise stated)

### Equity Share Capital :

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
<b>Equity Share Capital</b>	2,65,00,000	6,00,00,000	8,65,00,000

### Other Equity :

	Securities Premium	Reserves and Surplus	Total
		Surplus/Deficit in Statement of Profit & Loss	
<b>Balance as at April 1, 2020</b>	-	(76,69,449)	(76,69,449)
Profit / (Loss) for the Year	-	(6,81,347)	(6,81,347)
Other Compressive Income / (Loss)	-	-	-
<b>Balance as at March 31, 2021</b>	-	(83,50,796)	(83,50,796)
<b>Balance as at April 1, 2021</b>	-	(83,50,796)	(83,50,796)
Profit / (Loss) for the Year	-	1,29,97,787	1,29,97,787
Other Compressive Income / (Loss)	-	-	-
<b>Balance as at March 31, 2022</b>	-	46,46,991	46,46,991
<b>Securities Premium :</b>			
<b>Balance as at April 1, 2021</b>	-		-
Securities Premium Received during the Year	9,00,00,000	-	9,00,00,000
<b>Balance as at March 31, 2022</b>	<b>9,00,00,000</b>	-	<b>9,00,00,000</b>
<b>Total Other Equity</b>	<b>9,00,00,000</b>	<b>46,46,991</b>	<b>9,46,46,991</b>

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## KLK ELECTRICAL LIMITED

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### 8 Loans & Advances Received:

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
a) Short Term Advance Received	3,64,000	-
	3,64,000	-

### 9 Other Current Liabilities :

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
a) Creditors for Expenses	15,54,157	11,72,000
	15,54,157	11,72,000

### 10 Short Term Provisions:

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
a) Current Income Tax (MAT)	7,12,500	-
	7,12,500	-

### 11 Other Income :

Particulars	2021-22	2020-21
	Rs.	Rs.
a) Dividend received on Investment	1,20,000	1,00,000
b) Profit on Sale of Equity Shares	1,00,25,674	-
	1,01,45,674	1,00,000

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## KLK ELECTRICAL LIMITED

### 12 Employee Benefits Expenses :

Particulars	2021-22	2020-21
	Rs.	Rs.
a) Salaries to Staff	3,65,000	3,60,000
b) Staff Welfare Expenses	-	-
	3,65,000	3,60,000

### 13 Other Expenses :

Particulars	2021-22	2020-21
	Rs.	Rs.
<b>a) Administrative Expenses:</b>		
- Rent	1,20,000	1,22,360
- Legal & Consultancy Charges including listing/depository/registrar fees	6,21,120	6,73,750
- Postage & courier Charges	-	5,000
- Advertisement Charges	52,752	48,720
- Printing & Stationery	25,000	25,000
- Auditors Remuneration	28,090	28,090
- Other Expenses	2,45,260	-
- Bank Charges	1,924	94
	10,94,146	9,03,014

14 Contingent Liabilities : NIL

15 Balances standing to the debit/credit of Sundry Creditors, Sundry Debtors, Advances and various parties accounts are subject to confirmation and reconciliation.

16 a) There were no employees drawings remuneration in excess of the limits laid down in Section 197 of the Companies Act, 2013.

17 Additional Information :

(As given by Management and not verified by the Auditors)

a) Foreign Exchange Inflow / Outflow : Rs. 40,23,760/-

## KLK ELECTRICAL LIMITED

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### 18 RELATED PARTY DISCLOSURES :

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

i) Key Management Personnel : 1. Mr. RAYAPURAJU RAVIKUMAR RAO - Director

ii) Related Party Transactions : NIL

### 19 Earnings Per Share (EPS) :

Earnings per Share is calculated in accordance with Indian Accounting Standard 33 - 'Earnings per Share'

Particulars	2021-22	2020-21
	Rs.	Rs.
Profit after Tax	1,29,97,787	(6,81,347)
Number of Ordinary Shares	86,50,000	26,50,000
Weighted Average Number of Ordinary Shares	37,67,808	26,50,000
Earnings per Share (Rs.) - Basic and Diluted	3.450	(0.26)

20 Dues to Micro, Small and Medium Enterprises outstanding for more than 45 days as at Balance Sheet date

NIL	2021-22
NIL	2020-21

21 Payments to Auditors :  
( for Audit & Taxation matters )

28,090	2021-22
28,090	2020-21

for ANANT RAO & MALLIK  
Chartered Accountants  
FRN : 006266S

B V MALLIKARJUNA  
Partner  
M.No. 023350  
Date : 08.04.2022  
UDIN : 22023350AGRWLB6206

FOR AND ON BEHALF OF BOARD

Sd/-  
R.RAVI KUMAR RAO  
Director

Sd/-  
SUJATA JONNAVITTULA  
Director

# KLK ELECTRICAL LIMITED

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## 1. SIGNIFICANT ACCOUNTING POLICIES

### a) Accounting Concepts :

The Company follows mercantile system of accounting and recognises income and expenses on accrual basis.

Accounting policies not specifically referred to are consistent with Generally Accepted Accounting Principles as applicable followed in India.

### b) Revenue Recognition :

All expenses and income are accounted for on mercantile basis except accounting of relief, incentives and concessions, which are accounted for as and when the amounts finally receivable against these are ascertained.

### c) Fixed Assets :

Fixed Assets are stated at cost including taxes, freight and other incidental expenses incurred in relation to acquisition and installation of the same.

### d) Depreciation :

Depreciation on Fixed Assets will be provided on the useful lives of Assets based on the management estimate of useful lives.

### e) Investments :

Long term Investments are stated at cost. Decline in value of long term investments, other than temporary is provided for.

### f) Inventories :

Raw materials, bought out components, consumable stores and spares are valued at cost.

### g) Retirement Benefits :

As there were no employees in the Company at the year end, no provision for gratuity/ PF has been made in the books of account.

### h) Foreign Exchanges Transactions :

There are no foreign exchange transactions.

### i) Leases :

There are no lease transactions entered into by the company so far.

### j) Taxation :

Provision for current tax, if any, is made in accordance with the provisions of Income Tax Act, 1961. Current Tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred Tax is recognised, subject to prudence, if timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more periods.

### k) Intangible Assets :

Intangible assets in the form of technical know how and drawings are acquired from foreign collaborator and held for manufacture of new products. The cost of the same would be written off uniformly over a period of six years commencing from the year in which the new products using the technical know how are manufactured.

### l) Earning Per Share :

The Company reports basic and diluted earnings per share in accordance with the Accounting Standard 20.

### m) Contingencies :

All liabilities have been provided for in the accounts except liabilities of a contingent nature, which have been disclosed at their estimated value in the Notes on accounts.



# KLK ELECTRICAL LIMITED

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## INDEPENDENT AUDITOR'S REPORT

To

The Members

KLK ELECTRICAL LIMITED

Hyderabad.

Report on the Consolidated Ind AS Financial Statements.

### Opinion :

We have audited the accompanying Consolidated Ind AS financial statements of M/s. KLK ELECTRICAL LIMITED and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the Consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information. (Hereinafter referred to as "the Consolidated Ind AS financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- a) in the case of Consolidated Balance Sheet, of the state of affairs of the Company as at 31st March, 2022 ;
- b) in the case of Consolidated Statement of Profit and Loss, of the Profit for the year then ended ;
- c) in the case of Consolidated Cash Flow Statement, of the cash flows of the Company for the year ;
- d) in the case of Consolidated Statement of 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 Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Ind AS 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 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 Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Management's Responsibility for the Consolidated Ind AS Financial Statements :

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of 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; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls, that were operating effectively for

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## KLK ELECTRICAL LIMITED

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ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility for the Consolidated Ind AS Financial Statements :**

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters, which are required to be included in the audit report under the provisions of the Act, and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that

give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

### **Other Matters :**

We did not audit the financial statements of subsidiary Company, whose financial statements reflect total assets of Rs. 19.22 Crores and net assets of Rs. 13.63 Crores as at March 31, 2022, total revenue of Rs. 9.43 crore, net profit of Rs. 0.95 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been unaudited and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiary Company 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 subsidiary Company is based solely on the reports of the management.

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

1. As required by Section 143 (3) of the Act, based on our audit 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 aforesaid consolidated Ind AS financial statements.
    - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS 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 (including other comprehensive income), The Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
    - d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
    - e) On the basis of the relevant assertion contained in the audit reports on standalone Ind AS financial statements of each subsidiary company, none of the Directors of any such company are disqualified as on 31st March, 2022 from being appointed as a director of that company 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 Holding Company and subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
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## **KLK ELECTRICAL LIMITED**

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- 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Holding Company and its subsidiaries – Not Applicable;
  - ii. The Holding Company and its subsidiary companies have no long term contracts including derivative contracts, accordingly they have not made any provision relating to material foreseeable losses in the consolidated financial statements;
  - 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

**For ANANT RAO & MALLIK**  
**Chartered Accountants**  
**Firm Registration No. 006266S**

**Sd/-**  
**B V MALLIKARJUNA**  
**Partner**  
**M. No.023350**  
**Date : 08.04.2022**  
**UDIN :22023350AGRXFL1379**

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# KLK ELECTRICAL LIMITED

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## Annexure - A to the Independent Auditors' Report

The Annexure referred to in Paragraph 1 (f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of M/s. KLK ELECTRICAL LIMITED for the year ended 31st March, 2022:

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 Ind AS financial statements of M/s. KLK ELECTRICAL LIMITED ("the Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies as on that date.

### Management's Responsibility for Internal Financial Controls :

The respective Board of Directors of the Holding company and its subsidiary companies are 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 control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

### Auditors' Responsibility for Internal Financial Controls :

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and audit evidence obtained by other auditor in terms of their report referred to in the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Ind AS 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 Consolidated Ind AS 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

## KLK ELECTRICAL LIMITED

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(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Ind AS 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 Holding Company and its subsidiary companies, 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, 2022, 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 ANANT RAO & MALLIK**  
**Chartered Accountants**  
**Firm Registration No. 006266S**

**Sd/-**  
**B V MALLIKARJUNA**  
**Partner**  
**M. No.023350**  
**Date : 08.04.2022**  
**UDIN :22023350AGRFL1379**

# KLK ELECTRICAL LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31-03-2022

Particulars	Note No.	31-03-2022	31-03-2021
		Rs.	Rs.
<b>ASSETS</b>			
<b>1. Non Current Assets :</b>			
a) Property, Plant and Equipment		39,62,786	-
b) Other Intangible Assets	1	1,91,67,874	55,62,573
c) Financial Assets :			
i) Investments	2	5,35,001	25,35,001
<b>2. Current Assets :</b>			
a) Financial Assets :			
i) Trade Receivables	3	10,85,62,366	87,52,747
ii) Cash and Cash Equivalents	4	1,21,70,269	16,383
iii) Loans & Advances	5	10,26,62,275	24,54,500
<b>TOTAL</b>		<b>24,70,60,571</b>	<b>1,93,21,204</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY :</b>			
a) Equity Share Capital	6	8,65,00,000	2,65,00,000
b) Other Equity	7	9,46,46,991	(83,50,796)
c) Share Warrants Application Money		75,00,000	
<b>LIABILITIES :</b>			
<b>1. Non Current Liabilities :</b>			
a) Other Long Term Liabilities		1,24,31,726	-
<b>2. Current Liabilities :</b>			
a) Loans And Advances Received	8	3,64,000	-
b) Other Current Liabilities	9	4,49,05,352	11,72,000
<b>3. Provisions For Expenses</b>			
a) Provision For Income Tax (MAT) - AY 2022-23	10	7,12,500	-
<b>TOTAL</b>		<b>24,70,60,569</b>	<b>1,93,21,204</b>

Significant Accounting Policies and Notes  
to the Financial Statements

A & B

The accompanying notes are an integral part of the financial statements

for ANANT RAO & MALLIK  
Chartered Accountants  
FRN : 006266S

FOR AND ON BEHALF OF BOARD

Sd/-  
R.RAVI KUMAR RAO  
Director

B V MALLIKARJUNA  
Partner  
M.No. 023350  
Date : 08.04.2022  
UDIN : 22023350AGRWL6206

Sd/-  
SUJATA JONNAVITTULA  
Director

# KLK ELECTRICAL LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-03-2022

Particulars		Note No.	2021-22	2020-21
			Rs.	Rs.
<b>INCOME :</b>				
I	Revenue from Operations		37,87,75,247	1,04,12,353.00
II	Other Income	11	1,18,64,964	1,00,000.00
III	<b>Total Revenue (I + II)</b>		<b>39,06,40,212</b>	<b>1,05,12,353.00</b>
<b>EXPENDITURE :</b>				
IV	<b>raw material cost</b>			99,30,686.00
	a) Employees Benefits Expenses	12	3,65,000	3,60,000.00
	b) Depreciation and Amortization		21,56,309	
	c) Other Expenses	13	34,85,87,280	9,03,014.00
	<b>Total Expenses</b>		<b>35,11,08,588</b>	<b>1,11,93,700.00</b>
V	<b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX</b>	(III - IV)	3,95,31,624	(6,81,347.00)
VI	Less : Exceptional Items :			-
VII	<b>PROFIT BEFORE TAX</b>	(V - VI)	3,95,31,624	(6,81,347.00)
VIII	<b>Tax Expense :</b>			
	a) Current Tax - Current Year		19,74,946	-
	c) Deferred Tax		-	-
IX	<b>PROFIT AFTER TAX</b> (from continuing operations)	(VII - VIII)	3,75,56,678	(6,81,347.00)
X	Other Comprehensive Income Items that will not be reclassified to profit or loss		-	-
XII	<b>Total Comprehensive Income for the period</b> <b>(Comprising Profit (Loss) and Other</b> <b>Comprehensive Income for the period)</b>	<b>IX+X</b>	<b>3,75,56,678</b>	<b>(6,81,347.00)</b>
	Earnings Per Share - Basic		4.34	(0.26)
		on new ec	0	

Significant Accounting Policies and Notes  
to the Financial Statements

A & B

The accompanying notes are an integral part of the financial statements

for ANANT RAO & MALLIK  
Chartered Accountants  
FRN : 006266S

FOR AND ON BEHALF OF BOARD

Sd/-  
R.RAVI KUMAR RAO  
Director

B V MALLIKARJUNA  
Partner  
M.No. 023350  
Date : 08.04.2022  
UDIN : 22023350AGRWLB6206

Sd/-  
SUJATA JONNAVITTULA  
Director

# KLK ELECTRICAL LIMITED

## Consolidated Cash Flow Statement for the year ended 31st March, 2021

	Particulars	2020-21 Rs.
<b>A.</b>	<b>Cash Flow from Operating Activities</b>	
	Net Profit / (Loss) before Tax	3,75,56,678
	<u>Adjustments for:</u>	
	Depreciation	21,56,309
	Dividend Received	1,20,000
	Profit on sale of Equity shares	1,00,25,674
	<b>Operating Profit before Working Capital Changes</b>	2,95,67,312
	Decrease / (Increase) in Trade Receivables	(9,98,09,619)
	Increase / (Decrease) in Loans and Advances	3,64,000
	Increase / (Decrease) in Short Term Provisions	7,12,500
	Increase / (Decrease) in Other Current Liabilities	4,37,33,352
	Decrease / (Increase) in Short Term Loans and Advances	(12,24,17,606)
	<b>Cash generated from Operating Activities</b>	(14,78,50,060)
	Income Tax Paid	(19,74,946)
	<b>Net Cash Flow from Operating Activities</b>	(14,98,25,006)
<b>B.</b>	<b>Cash Flow from Investing Activities</b>	
	Acquisition of Fixed Assets	(1,75,68,087)
	Changes In Advances	-
	Changes in Investments	20,00,000
	Dividend received	1,20,000
	<b>Net Cash Flow from Investing Activities</b>	(1,54,48,087)
<b>C.</b>	<b>Cash Flow from Financing Activities</b>	
	Share Warrants Application Money	75,00,000
	Long-Term Loans	1,24,31,726
	Share Capital issued	15,00,00,000
	<b>Net Cash Flow from Financing Activities</b>	16,99,31,726
	<b>Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>	46,58,633
	Opening Cash and Cash Equivalents	75,11,634
	<b>Closing Cash and Cash Equivalents</b>	1,21,70,267
		1,22,26,202

**Notes:**

- 1 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS 3) 'Cash Flow Statements' notified by the Central Govt under Companies (Accounting Standards) Rules, 2006.
- 2 Previous year figures have been regrouped / rearranged, wherever necessary to conform to the current period classification.

for ANANT RAO & MALLIK  
Chartered Accountants  
FRN : 006266S

B V MALLIKARJUNA  
Partner  
M.No. 023350  
Date : 08.04.2022  
UDIN : 22023350AGRWL6206

FOR AND ON BEHALF OF BOARD

Sd/-  
R.RAVI KUMAR RAO  
Director

Sd/-  
SUJATA JONNAVITTULA  
Director



## KLK ELECTRICAL LIMITED

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### 1 Other Intangible Assets :

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
a) Technical Know how	55,62,573	55,62,573
b) Goodwill	1,36,05,301	
	1,91,67,874	55,62,573

### 2 Investments :

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
<b>a) Investments in Equity Shares</b> (at cost)		
- M/s. EDVENSWA TECH INC, USA (60,00,000 Equity Shares)	-	-
- Others	5,35,001	25,35,001
	5,35,001	25,35,001

### 3 Trade Receivables :

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
Sundry Debtors : (Unsecured and Considered good unless otherwise stated)		
- Debts Outstanding for a period exceeding six months	10,21,21,494	86,82,007
- Other Debts	75,49,434	70,740
	10,96,70,928	87,52,747

## KLK ELECTRICAL LIMITED

### 4 Cash and Cash Equivalents :

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
a) Balances with Banks :		
- Indian Bank - Current Account	10,137	13,883
- Axis Bank - Current Account	74,98,997	-
b) Cash on Hand	2,500	2,500
Subsidiary Company Cash and Cash Equivalents	47,14,568	-
	<b>1,22,26,202</b>	<b>16,383</b>

### 5 Loans & Advances

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
a) Advances to Others	19,37,000	24,54,500
b) Advances to Suppliers	95,00,000	-
c) Other Current Assets	9,23,20,576	-
	<b>10,37,57,576</b>	<b>24,54,500</b>

### 6 Equity Share Capital :

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
<b>Authorized :</b>		
<b>a) Equity Share Capital :</b>		
50,00,000 Equity Share of Rs. 10/- each	10,00,00,000	5,00,00,000
<b>Total</b>	<b>10,00,00,000</b>	<b>5,00,00,000</b>
<b>Issued, Subscribed and Paid-up :</b>		
<b>a) Equity Share Capital</b>		
86,50,000 (26,50,000) Equity Share of Rs. 10/- each	8,65,00,000	2,65,00,000
<b>Total</b>	<b>8,65,00,000</b>	<b>2,65,00,000</b>

## KLK ELECTRICAL LIMITED

### 6.1

Reconciliation of number of shares	31-03-2022	31-03-2021
	Rs.	Rs.
<b>Equity Shares</b>		
Opening balance	26,50,000	26,50,000
*Reduction/Issued during the year	60,00,000	-
Closing Balance	86,50,000	26,50,000
<b>Equity Share Warrants</b>		
Opening balance	-	-
*Reduction/Issued during the year	12,00,000	-
Closing Balance	12,00,000	-

### 6.2

Reconciliation of number of shares	31-03-2022		31-03-2021	
	No. of Shares	%	No. of Shares	%
<b>Equity Shares :</b>				
a) RAJENDRA NANIWADEKAR	4,16,100	4.81	4,16,100	15.70
b) J SRI RAMACHANDRA DURGA PRASAD	2,05,000	2.37	2,05,000	7.74
c) G HANUMANTHA RAO	1,57,050	1.82	1,57,050	5.93
d) MAYUR N DHAROD	3,12,000	3.61	3,12,000	11.77
e) SREENIVASA SREEKANTH UPPULURI	60,00,000	69.36	--	

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

During the period, the Company had issued Equity Shares of 60,00,000 of Rs. 10/- each at Premium of Rs. 15/- each (Total Rs. 25/- each).

The Company had issued 12,00,000 Equity Share Warrants (Convertible into Equity Shares in the ratio of 1 : 1) to Sri Yerradoddi Ramesh Reddy. The said Equity Share Warrants are convertible into Equity Shares with in period of 18 months

## KLK ELECTRICAL LIMITED

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### Equity Share Capital :

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
<b>Equity Share Capital</b>	2,65,00,000	-	8,65,00,000

### Other Equity :

	Securities premium	Reserves and Surplus	Total
		Surplus/Deficit in Statement of Profit & Loss	
Balance at the beginning of the reporting period	-	(83,50,796)	<b>(83,50,796)</b>
Total Comprehensive Income for the year	-	1,29,97,787	<b>1,29,97,787</b>
Other compressive inome/(loss)			
Balance at the end of the reporting period	-	46,46,991	<b>46,46,991</b>
<b>Securities premium</b>			
Balance at the beginning of the reporting period	-		-
Reserves Created during the Year	9,00,00,000	-	<b>9,00,00,000</b>
Balance at the end of the reporting period	<b>9,00,00,000</b>	-	<b>9,00,00,000</b>
<b>Total Other Equity</b>			<b>9,46,46,991</b>

## KLK ELECTRICAL LIMITED

### 8 Loans & Advances Received:

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
a) Short Term Advance Received	3,64,000	-
	3,64,000	-

### 9 Other Current Liabilities :

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
a) Creditors for Expenses	2,13,75,046	11,72,000
b) Other Expenses payable	2,40,50,813	-
	4,54,25,858	11,72,000

### 10 Provisions For Expenses:

Particulars	31-03-2022	31-03-2021
	Rs.	Rs.
a) Income Tax (MAT) Payable - AY 2022-23	7,12,500	-
	7,12,500	-

### 11 Other Income :

Particulars	2021-22	2020-21
	Rs.	Rs.
a) Dividend received on Investment	1,20,000	1,00,000
b) Profit on Sale of Equity Shares	1,00,25,674	-
c) Other income	17,19,291	-
	1,18,64,964	1,00,000

## KLK ELECTRICAL LIMITED

### 12 Employee Benefits Expenses :

Particulars	2021-22	2020-21
	Rs.	Rs.
a) Salaries to Staff	3,65,000	3,60,000
b) Staff Welfare Expenses	-	-
	3,65,000	3,60,000

### 13 Other Expenses :

Particulars	2021-22	2020-21
	Rs.	Rs.
<b>a) Administrative Expenses:</b>		
- Rent	1,20,000	1,22,360
- Legal & Consultancy Charges including listing/depository/registrar fees	6,21,120	6,73,750
- Postage & courier Charges	-	5,000
- Advertisement Charges	52,752	48,720
- Printing & Stationery	25,000	25,000
- Auditors Remuneration	28,090	28,090
- Other Expenses	2,45,260	-
- Bank Charges	1,924	94
- Expenses Related to US Subsidiary Company	34,74,93,133	-
	34,85,87,280	9,03,014

14 Contingent Liabilities : NIL

15 Balances standing to the debit/credit of Sundry Creditors, Sundry Debtors, Advances and various parties accounts are subject to confirmation and reconciliation.

16 a) There were no employees drawings remuneration in excess of the limits laid down in Section 197 of the Companies Act, 2013.

17 Additional Information :

(As given by Management and not verified by the Auditors)

a) Foreign Exchange Inflow / Outflow : Rs. 40,23,760/-

## KLK ELECTRICAL LIMITED

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### 18 RELATED PARTY DISCLOSURES :

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

i) Key Management Personnel : 1. Mr. RAYAPURAJU RAVIKUMAR RAO - Director

ii) Related Party Transactions : NIL

### 19 Earnings Per Share (EPS) :

Earnings per Share is calculated in accordance with Indian Accounting Standard 33 - 'Earnings per Share'

Particulars	2021-22	2020-21
	Rs.	Rs.
Profit after Tax	3,75,56,678	(6,81,347)
Number of Ordinary Shares	86,50,000	26,50,000
Weighted Average Number of Ordinary Shares	26,76,339	26,50,000
Earnings per Share (Rs.) - Basic and Diluted	14.033	(0.26)

20 Dues to Micro, Small and Medium Enterprises outstanding for more than 45 days as at Balance Sheet date

	NIL2020-21 NIL2019-20
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21 Payments to Auditors :  
( for Audit & Taxation matters )

	28,090	2020-21
	28,090	2019-20

for ANANT RAO & MALLIK  
Chartered Accountants  
FRN : 006266S

B V MALLIKARJUNA  
Partner  
M.No. 023350  
Date : 08.04.2022  
UDIN : 22023350AGRWLB6206

FOR AND ON BEHALF OF BOARD

Sd/-  
R.RAVI KUMAR RAO  
Director

Sd/-  
SUJATA JONNAVITTULA  
Director

# KLK ELECTRICAL LIMITED

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## 1. SIGNIFICANT ACCOUNTING POLICIES

### a) Accounting Concepts :

The Company follows mercantile system of accounting and recognises income and expenses on accrual basis.

Accounting policies not specifically referred to are consistent with Generally Accepted Accounting Principles as applicable followed in India.

### b) Revenue Recognition :

All expenses and income are accounted for on mercantile basis except accounting of relief, incentives and concessions, which are accounted for as and when the amounts finally receivable against these are ascertained.

### c) Fixed Assets :

Fixed Assets are stated at cost including taxes, freight and other incidental expenses incurred in relation to acquisition and installation of the same.

### d) Depreciation :

Depreciation on Fixed Assets will be provided on the useful lives of Assets based on the management estimate of useful lives.

### e) Investments :

Long term Investments are stated at cost. Decline in value of long term investments, other than temporary is provided for.

### f) Inventories :

Raw materials, bought out components, consumable stores and spares are valued at cost.

### g) Retirement Benefits :

As there were no employees in the Company at the year end, no provision for gratuity/ PF has been made in the books of account.

### h) Foreign Exchanges Transactions :

There are no foreign exchange transactions.

### i) Leases :

There are no lease transactions entered into by the company so far.

### j) Taxation :

Provision for current tax, if any, is made in accordance with the provisions of Income Tax Act, 1961. Current Tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred Tax is recognised, subject to prudence, if timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more periods.

### k) Intangible Assets :

Intangible assets in the form of technical know how and drawings are acquired from foreign collaborator and held for manufacture of new products. The cost of the same would be written off uniformly over a period of six years commencing from the year in which the new products using the technical know how are manufactured.

### l) Earning Per Share :

The Company reports basic and diluted earnings per share in accordance with the Accounting Standard 20.

### m) Contingencies :

All liabilities have been provided for in the accounts except liabilities of a contingent nature, which have been disclosed at their estimated value in the Notes on accounts.



*If undelivered please return to :*

**KLK ELECTRICAL LIMITED**

Plot No. 85, Shop No. 1 4th Street, Ganesh Avenue,  
Shakthi nagar, Chennai 600 116