

Corp. Office
392, 'E' Shahupuri,
Post Box No. 201,
Kolhapur 416 001, India

Works
Plot No. C 18,
Five Star MIDC, Kagal,
Kolhapur 416 216 India.

T 0231 2658375
W www.synergygreenind.com
L27100PN2010PLC137493



July 17, 2023

To,
The BSE Limited,
Corporate Relationship Department,
1st Floor New Trading Building,
Rotunda Building,
P.J. Towers, Dalal Street,
Fort, Mumbai - 400 001

To,
Corporate Communications,
National Stock Exchange of India Ltd.,
Exchange Plaza, Plot No.C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400051.

Scrip Code : 541929

Security ID : SGIL

Subject : Intimation of 13th Annual General Meeting of Synergy Green Industries Limited.

Dear Sir/Madam,

The 13th Annual General Meeting of the members of Synergy Green Industries Limited, Kolhapur will be held on Wednesday, 9th August 2023 at 11.00 a.m. at registered office of the Company at 392, E Ward, Shahupuri, Kolhapur at Hotel Pavillion.

In compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are submitting herewith the Annual Report of the Company containing the Notice of AGM which is being sent to the shareholders by the permitted mode within the stipulated time for the F.Y.2022-23.

The 13th Annual Report containing the Notice of the AGM has also uploaded on website of the Company at the following link;

<https://synergygreenind.com/sites/default/files/pdf/annual-report/Annual%20Report%2022-23.pdf>

Kindly take a note of the same.

Yours Faithfully,
For Synergy Green Industries Limited

**NILESH
MOHAN
MANKAR**

Nilesh M. Mankar
Company Secretary and Compliance Officer
Memb.No.: ACS39928

Digitally signed by NILESH MOHAN MANKAR
DN: cn=N, o=Synergy Green Industries Limited,
c=IN, email=N.Mankar@synergygreenind.com,
serial=11612, version=3,
Reason: I am the signer of this document.
DN: cn=N, o=Synergy Green Industries Limited,
c=IN, email=N.Mankar@synergygreenind.com,
serial=11612, version=3,
Date: 2023.07.17 09:45:47 +05'30'





ANNUAL REPORT
2022-23



SYNERGY GREEN INDUSTRIES LIMITED

(CIN : L27100PN2010PLC137493)

13TH ANNUAL REPORT FOR THE F.Y. 2022-2023

BOARD OF DIRECTORS (As on 26-05-2023)

| | |
|---------------------------|------------------------------|
| Mr. Sachin R. Shirgaokar | Chairman & Managing Director |
| Mr. Shishir S. Shirgaokar | Non-Executive Director |
| Mr. Chandan S. Shirgaokar | Non-Executive Director |
| Mr. Sohan S. Shirgaokar | Joint Managing Director |
| Mr. V. S. Reddy | Executive Director |
| Mrs. Prabha P. Kulkarni | Independent Woman Director |
| Mr. Dattaram P. Kamat | Independent Director |
| Dr. M. R. Desai | Independent Director |
| Mr. Meyyappan Shanmugam | Independent Director |
| Mr. Subhash G. Kutte | Independent Director |

KEY MANAGERIAL PERSONNEL

| | |
|-----------------------|-------------------------|
| Mr. Suhas B. Kulkarni | Chief Financial Officer |
| Mr. Nilesh M. Mankar | Company Secretary |

AUDITORS

M/s. DAB & Associates,
Chartered Accountants,
C. S. No. 221, B-1, E Ward, Rajhans Apartment,
2nd Floor, Flat No. S-6, Tarabai Park, Kolhapur - 416 003.
Phone - (0231) - 2659546

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Registered Office:

392, E Ward, Assembly Road, Shahupuri,
Kolhapur-416001, Maharashtra.
Tel. No.:0231 2658375
Web.: www.synergygreenind.com

Factory Office

C-18, Five Star MIDC, Kagal,
Tal. Hatkanangle, Kolhapur-416216.
Tel. No.:0231 2305311, 2305312
Email : info@synergygreenind.com

Registrar & Transfer Agent

Link Intime India Pvt. Ltd.
Block No. 202, Akshay Complex, Near Ganesh Temple, Off Dhole Patil
Road, Pune - 411 001 Phone: +91 20 26160084
Email:- pune@linkintime.co.in

Bankers

Saraswat Co-operative Bank Limited
IndusInd Bank Limited

13TH Annual General Meeting

Wednesday, The 9th Day of August, 2023 At 11.00 A.m. At Registered Office of The Company
At 392, E Ward, Assembly Road, Shahpuri, Kolhapur-416001 At Hotel Pavillion.

Chairman's Letter

Dear Share Holders,

I am pleased to update you that during the financial year 2022-23, your company has recorded a net sale of Rs.290.15 Crores as against Rs.284.92 Crores in the previous year and posted a marginal growth of 1.84%. Sales growth was impacted due to 41% drop in our largest customer M/S Vestas revenue because of global inflation issues. However, increase in M/S Siemens Gamesa revenue by 130% and new Customer addition like M/S Senvion has helped in bridging above revenue drop.

During the year, absolute PBDIT stands at Rs 26.76 Crores as against Rs 25.21 Crores last year and achieved a growth of 6.15%. PBDIT margins have marginally improved to 9.22% compared to last year's 8.85%. During last two quarters raw material prices are stabilizing and shown decreasing trend. Sales prices are also now factored with present input costs and accordingly 4th quarter PBDIT margins have improved to 13.39%

I am pleased to update you that, on 8th June 2023 new 15 MT melting furnace is commissioned and this will help us in increasing the liquid metal capacity & facilitate in developing 5 MW parts as well.

Industry Overview & Future Prospects:

- a. After a massive growth in Global wind installations in 2020 by 57% at 95 GW, last two year installations were in consolidation phase with 94 GW in 2021 and 78 GW in 2022. This is because of global inflation and financial issues. With commodity prices cooling off and bottoming out of interest rate cycle, installations are expected to revert back on growth trajectory. GWEC forecasts 15% CAGR during 2023-27 period.
- b. Series of policy initiatives in India like discontinuing of reverse bidding process, introduction of wind specific Renewable Purchase Obligations (RPO) and plan to achieve 10 GW annual installations should revive domestic demand. ICICI Securities research report forecasts 35% CAGR growth from 2.2 GW during FY 23 to 3.5 GW in FY 24 & 4.5 GW in FY 25.
- c. Considering improvement in demand forecasts, it is being planned to complete the brownfield expansion in FY 2023 from 30,000 TPA to 45,000 TPA. Apart from capacity expansion, this year focus will also be in initiating In-House machining facility establishment and renewable captive power plant additions to strengthen our manufacturing activities and margin expansion.
- d. Considering the present order book and industry forecasts, around 25% revenue growth is expected during next two years. With stable input prices and sustained revenue growth, we should be able to achieve 12% plus PBDIT margins.

I am highly thankful to our Board for their valuable guidance and our management team & all employees for their continued effort towards the vision and bringing excellent growth to organisation. I take this opportunity to thank our bankers, Bank of Baroda, IndusInd Bank and Saraswat Cooperative Bank for their continued support in achieving our goals. I also acknowledge the support extended by Central & State governments and express our sincere thanks to them. I would like to express our appreciation to our suppliers and customers for their continued support. I would also like to thank our esteemed shareholders for their support.

With Warm Regards

Sachin Rajendra Shirgaokar
Chairman & Managing Director

AGM NOTICE

Notice is hereby given that the 13th Annual General Meeting (AGM) of the Members of the Company will be held on Wednesday, August 9, 2023 at registered office of the Company at 392, E Ward, Shahupuri, Kolhapur-416001, at Hotel Pavillion, at 11.00 a.m. physically to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2023 together with the Board's Report and the Auditors' Report thereon.
2. To appoint a director in place of Mr. Chandan S. Shirgaokar (DIN:00208200), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **To consider and approve the re-appointment of Mr. Meyyappan Shanmugam (DIN: 00079844) as Independent Director for second term.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 and other applicable provisions, if any, of SEBI (LODR) Regulations 2015, including any statutory modifications or re-enactments thereof for the time being in force and on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Mr. Meyyappan Shanmugam (DIN: 00079844), who was appointed as Independent Director to hold office upto May 17, 2023 and being eligible, be and is hereby re-appointed as an independent director of the Company, not liable to retire by rotation and to hold office for the Second Term of five (5) consecutive years on the Board of the Company w.e.f. May 18,2023 to May 17, 2028.”

“**RESOLVED FURTHER THAT** Mr. Sachin R. Shirgaokar, (DIN: 00254442) Chairman & Managing Director or Mr. Sohan S. Shirgaokar, (DIN: 00217631) Joint Managing Director be and are hereby authorized to give effect to this resolution and to do all such acts deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

4. **To consider and to pass if thought fit, with or without modification, the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** pursuant to Section 148(3) and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification or re-enactment thereof, for the time being in force and pursuant to the recommendation of Audit Committee and the resolution passed in the meeting of Board of Directors held on May 26, 2023 the members of the Company hereby ratify and confirm the remuneration of Rs.1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) as audit fees plus applicable taxes and out of pocket expenses (if any) at actual, for the financial year ending March 31, 2024 payable to M/s Adawadkar Chougule & Associates, Cost Accountants (Firm Registration No. 00425) who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the Financial Year 2023-24.”

5. **To consider and to pass if thought fit, with or without modification, the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 73(2) read with the Companies (Acceptance of Deposits) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 and within the overall borrowing limits approved by the members the Company be and is hereby authorised to accept / renew unsecured deposits from its members not exceeding the limits, as prescribed, of the aggregate of the paid up capital and free reserves of the Company as per the latest audited accounts as of 31/03/2023.”

“RESOLVED FURTHER THAT Mr. Sachin R. Shirgaokar (DIN: 00254442) Chairman & Managing Director or Mr. Sohan S. Shirgaokar (DIN: 00217631), Joint Managing Director of the Company of the Company be and are hereby authorized, to do and execute such other forms, E-forms, letters, documents, acts and things as may be necessary, desirable or expedient for the purpose of giving effect to any of foregoing resolutions.”

**By Order of the Board
For Synergy Green Industries Limited**

**Sachin R. Shirgaokar
Chairman & Managing Director
DIN:00254442**

Date : May 26, 2023

Place : Kolhapur

NOTES:

- i. A Member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be required to a member of the Company.
- ii. Proxies, if any, in order to be effective must be received at the Company's Registered Office not later than 48 hours before the time fixed for holding the meeting. Proxies shall not have any right to speak at the meeting and shall be entitled to vote only on a Poll.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

- iii. An instrument of proxy is valid only if it is properly stamped as per applicable law.
- iv. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a duly certified true copy of the Board Resolution in terms of Section 113 of the Act, together with their specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting, to the Company's Registrar and Transfer Agent
- v. The Register of Directors and Key Managerial Personnel and their shareholdings, maintained under Section 170 of the Act, will be available for inspection by the Members at the Meeting. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the Members at the Meeting.
- vi. The Statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013, (the Act), Special Business Nos.3, 4, & 5 in the Notice and is annexed hereto and forms part of this Notice.
- vii. **Permanent Account Number (PAN)**

The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN by every participant in securities market. Members are requested to submit their PAN to their DPs. Members are requested to inform change in address or Bank mandate to their respective DPs with whom they are maintaining their demat accounts and with the R & T Agent.

- viii. In case members wish to ask for any information about accounts and operations of the Company, they are requested to send their queries in writing at least 7 days in advance of the date of the meeting so that the information can be made available at the time of the meeting.
- ix. Members who hold shares in electronic form are requested to bring their Client ID and DP ID for easy identification.
- x. Members are requested to bring their attendance slip at the meeting.
- xi. Members are requested to register their changed addresses/email addresses with the concerned DPs for holding shares in dematerialised form. Members are requested to immediately inform about their change of address, change of e-mail address, if any, to the Company's Share Transfer Agent.
- xii. All documents referred to in the Notice or in the accompanying Statement annexed to the Notice are available for inspection by the members at the Registered Office of the Company on all working days, except Sunday and Monday and public holidays, between 10.00 a.m. to 12.00 noon, prior to the date of the Annual General Meeting and also available for inspection at the meeting.
- xiii. The Notice along with the Annual Report will be sent electronically indicating the process and manner of e-voting to the members whose e-mail addresses are registered with the DPs / the Company.

xiv. Those shareholders who have not registered their email address with the Company or wish to update a fresh email address may do so by submitting the enclosed E-mail Registration cum- Consent Form to the Company or the Registrar and Transfer Agent of the Company consenting to send the Annual Report and other documents in electronic form at the said e-mail address.

The Notice along with the Annual Report will also be available on the Company’s website, viz., www.synergygreenind.com.

xv. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on Sunday, August 06, 2023 at 09:00 A.M. and ends on Tuesday, August 08, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. August 02, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being August 02, 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

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

| Type of shareholders | Login Method |
|---------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> Existing IdEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. |

3. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by 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. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.
3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, 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.

Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at [abovementioned website](http://www.cdslindia.com).

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

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

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

- b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to jayesh@prajottungarecs.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “**Upload Board Resolution / Authority Letter**” displayed under “**e-Voting**” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 48867000 and 022 - 24997000 or send a request to Mr. Anubhav Saxena at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 nmm@synergygreenind.com

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to nmm@synergygreenind.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
 3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
 4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
- xvi. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting. The Cut off date for determining eligibility of the member for e-voting is August 02, 2023.
- xvii. A person, who is not a member as on the cut-off date should treat this Notice for information purpose only.
- xviii. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. August 02, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Company at nmm@synergygreenind.com or to RTA at shailesh.mhatre@linkintime.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" option available on www.evoting.nsdl.com.
- xix. CS Jayesh Parmar, Company Secretary, Partner of Prajot Tungare & Associates, Pune, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- xx. The Chairman shall if required, at the General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Ballot Paper" for all those members who are present at the General Meeting but have not cast their votes by availing the remote e-voting facility.
- xxi. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make not later than 48 hours of the 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 authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xxii. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company, viz www.synergygreenind.com and on the website of NSDL (<https://www.evoting.nsdl.com/>) immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the NSE Ltd. & BSE Limited, Mumbai.
- xxiii. Route map showing directions to reach to the venue of the AGM is given at the end of this Notice as per the requirement of SS-2.

EXPLANATORY STATEMENT

Pursuant to Section 102(1) of the Companies Act, 2013

Item No.3:

As per the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), an independent director can hold office for a term of up to 5 (Five) consecutive years on the Board of a Company and can be re-appointed for one more term with approval of shareholders by way of a special resolution.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on May 26, 2023, subject to approval of shareholders, re-appointed Mr. Meyyappan Shanmugam (DIN: 00079844) as an Independent Director of the Company for second term of five (5) years with effect from May 19, 2023 upto May 18, 2028.

Mr. Meyyappan Shanmugam is the founder member of the Sharpline Group of Companies. He holds Masters Degree in Machine Tool Design and has excellent achievements in the field in CNC Machine Tool Industry for more than 30 years. He has masterminded the exponential growth of Sharpline Group of companies both in India and abroad with his vision, dynamism and technical expertise. He helps in bringing judgment on the Board of Directors' deliberations especially on issues of Business growth and technical decisions.

In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and is independent from the management. The Board considers that his continued association as an Independent Director of the Company would be of immense benefit to the Company and stakeholders. It is in the interest of the Company to continue to avail the benefits of his knowledge, expertise and vast experience.

Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of Mr. Meyyappan Shanmugam as an Independent Director of the Company.

The Company has also received a declaration from Mr. Meyyappan Shanmugam confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under the Regulation 16(b) of the Listing Regulations, as amended from time to time.

Mr. Meyyappan Shanmugam is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time.

Except Mr. Meyyappan Shanmugam, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the special resolution set out at Item No.3.

Item No.4:

Pursuant to the provisions of Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules 2014, M/s Adawadkar Chougule & Associates, Cost Accountants (Firm Registration No.00425) are proposed to be re-appointed as Cost Auditor of the Company for the Financial Year 2023-24. The Board has already approved their re-appointment as Cost Auditor in their meeting held on May 26, 2023. The Board has fixed their remuneration as Rs.1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) for the financial year 2023-24.

As per provisions of section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration determined by the Board of Directors as per recommendations of the Audit Committee, shall be ratified/approved by the shareholders. Accordingly, resolution proposing approval of remuneration to the Cost Auditors for F.Y.2023-24 is mentioned in the Notice.

None of the Directors, Key Managerial Personnel and their relatives are, in any way concerned or interested in resolution set out at Item no.4 of the Notice.

The Board recommends the ordinary resolution set out at Item no.4 to the Notice for approval of Members.

Item No.5:

The special business relates to seeking members' approval for acceptance / renewal of unsecured deposits from members. The Board of Directors, in their meeting held on 26th May 2023, has approved the acceptance / renewal of unsecured deposits from members of the Company subject to your approval. The purpose for accepting / renewing unsecured deposits from Members is to fund the Expansion Project of the Company and augment long term working capital needs of the Company.

Directors, being members of the Company, are interested or concerned in the above resolution.

The Board recommends the Ordinary Resolution as set out in Item No.5 of the Notice for approval by the Members.

**By Order of the Board
For Synergy Green Industries Limited**

**Sachin R. Shirgaokar
Chairman & Managing Director
DIN:00254442**

Date : May 26, 2023

Place : Kolhapur

ATTENDANCE SLIP

CIN: L27100PN2010PLC137493
Synergy Green Industries Limited,
392, E Ward, Shahupuri, Kolhapur-416001
Maharashtra.

Attendance Slip of Thirteenth Annual General Meeting of Synergy Green Industries Limited to be held on 9th day of August, 2023, at registered office of the company at 392, E Ward, Shahupuri, Kolhapur-416001 at Hotel Pavillion at 11.00 a.m.

| | |
|--------------------------------------------------------|--|
| Details of Shareholder | |
| Name and Address of the Shareholder | |
| Name of the Joint Holder | |
| No. of Shares held | |
| Registered Folio No OR DP ID no. / Client ID no. | |

I hereby record my presence at the Thirteenth Annual General Meeting of the Company held on 9th August, 2023 at at registered office of the company at 392, E Ward, Shahupuri, Kolhapur-416001 at Hotel Pavillion at 11.00 a.m.

 Shareholder's/Proxy's name in Block Letters

 Shareholder's/Proxy's Signature

Note: Shareholders wishing to attend the meeting must bring the attendance slip, duly signed to the meeting and hand it over at the entrance of the hall.

PROXY FORM

Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L27100PN2010PLC137493
Synergy Green Industries Limited,
392, E Ward, Shahupuri, Kolhapur-416001
Maharashtra.

| | |
|------------------------------|--|
| Name of the Shareholder (s): | |
| Folio No/ DP ID & Client ID: | |
| Registered Address: | |
| E-mail Id: | |

I/We, being the shareholder (s) of shares of the above named company, hereby appoint

1. Name :
 Address :

 E-mail Id :
 Signature : _____ or failing him

2. Name :
 Address :

 E-mail Id :
 Signature : _____ or failing him

3. Name :
 Address :

 E-mail Id :
 Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirteenth Annual General Meeting of the Company held on 9th August, 2023 at at registered office of the company at 392, E Ward, Shahupuri, Kolhapur-416001 at Hotel Pavillion at 11.00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above proxy to vote in the manner as indicated in the box below:

| Sr. No. | Description of Resolution | For | Against |
|--------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|---------|
| ORDINARY BUSINESS | | | |
| 1. | To adopt the Audited Financial Statements of the Company for the Financial Year ended 31 st March, 2023 together with the Board's Report and the Auditors' Report. | | |
| 2. | To appoint a director in place of Mr. Chandan S. Shirgaokar, who retires by rotation and being eligible, offers himself for reappointment. | | |
| SPECIAL BUSINESS | | | |
| 3. | To consider and approve the re-appointment of Mr. Meyyappan Shanmugam (DIN: 00079844) as Independent Director for second term. | | |
| 4. | M/s. Adawadkar Chougule & Associates, Cost Accountants for F.Y.2023-24 for conducting Cost Audit of the Company. | | |
| 5. | To accept / renew unsecured deposits from members u/s 73 of the Companies Act 2013. | | |

Singed this day of, 2023.

Signature of Shareholder

| |
|--------------------------------------|
| Affix Revenue stamp of Re.1 |
|--------------------------------------|

Signature of Proxy holder (s)

Note:

- The proxy form duly signed across the Revenue Stamp must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.
- A proxy need not be a member of the Company.
- This is only optional. Please put a '√' in the appropriate column in front of the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- For the resolution and notes please refer the accompanying Notice.
- All alterations made in the form of proxy should be initialed.

Board's Report

To,

Dear Members,

Synergy Green Industries Limited,

Shahupuri, Kolhapur.

Your Directors' have pleasure in presenting before you the 13th Annual Report of the Company along with audited financial statement for the year ended March 31, 2023.

1. Financial Results

The following are the financial results of the Company for the year ended March 31, 2023:

₹ in Lacs

| Particulars | For the Year ended on March 31, 2023 | For the Year ended on March 31, 2022 |
|--------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Total Revenue | 29,014.83 | 28,491.69 |
| Total Expenditure (excluding Depreciation & Amortization) | 27,746.59 | 27,121.13 |
| Profit before Depreciation & Amortization | 1,268.24 | 1,370.56 |
| Depreciation & Amortization | 1,198.95 | 1,063.93 |
| Profit Before Tax / (Loss) & Exceptional items | 69.29 | 306.63 |
| Provision for Tax, (including deferred tax adjustment, short provision for tax) / MAT Credit entitlement | 17.45 | (163.81) |
| Profit after Tax / Net Profit / (Loss) | 86.74 | 142.82 |
| Other Comprehensive Income | 8.12 | (28.19) |
| Total Comprehensive Income for the period (Comprising Profit (Loss) and other Comprehensive Income for the period) | 94.86 | 114.63 |
| Earnings Per Share (EPS) | 0.61 | 1.01 |

2. State of Affairs

- a) For the financial year 2022-23, your company has recorded a total income of Rs.290.15 Crores as against Rs.284.92 Crores in the previous year and recorded marginal growth of 1.84%.
- b) During the year, export revenues are Rs.29.33 Crores as against Rs.43.34 Crores during previous year. Drop in export revenues is mainly due to reduction in M/S Vestas's USA demand.
- c) During the year, absolute PBDIT stands at Rs 26.76 Crores as against Rs 25.20 Crores last year and achieved a marginal growth of 6.15%. PBDIT margins improved slightly from 8.85% to 9.22%.

3. Industry Update & Future Outlook

The wind industry has enjoyed its third-best year. Nearly 78 GW of wind power capacity was added last year, the lowest level in the past three years but still the third highest year in history. This was achieved despite a challenging economic environment and a disrupted global supply chain, compounded by global health and energy crises.

The unprecedented twin challenges of ensuring secure and affordable energy supplies and meeting climate targets have propelled wind power development into an extraordinary new phase of ever faster growth. After a challenging year, the global wind market is ready to bounce back in 2023, exceeding 100 GW for the first time.

India has amended the wind energy policy, which adversely impacted capacity addition between FY17-FY23. It has discontinued with reverse e-auctions, introduced wind-specific RPOs, and its plans to auction 10GW per annum. Also, the repowering policy is under works.

As part India's ambition towards net zero emissions, Indian power grid needs more wind in its mix. The need to enhance wind capacity addition (post subdued activity in the recent past) has finally dawned upon the stakeholders. Grids are looking for a solution to meet demand effectively while containing carbon emissions. The supply of renewables can be increased by setting up a mix of wind, solar and battery storage capacities. Optimal solutions for the grid to meet demand by using renewables includes higher wind in the mix (of ~8GW per annum) led by the complementary nature of generation and cost curves of the wind. As a result, India has launched series of policy initiatives: 1) single-stage closed bidding (vs reverse e-auction), 2) 10GW of wind auction per annum, and 3) wind-specific RPOs etc.

Sharp improvement in industry outlook; ICICI research report estimate market growth at 35% CAGR: On the back of various policy actions, industrial demand and more round-the-clock contracts, wind industry is finally set to turn the corner and wind installations are projected at 3.5GW and 4.5GW for FY24E/FY25E (vs 2.2GW in FY23).

Considering the present order book and industry forecasts, around 25% revenue growth is expected during next two years. With stable input prices and sustained revenue growth, your company should be able to achieve 12% plus PBDIT margins.

4. Economic Environment

India aspires to be a 5 trillion USD dollar economy by 2025 and aims to grow manufacturing GDP 15-fold between 2021 and 2047. It is also committed to achieving net zero by 2070. Renewable energy (excluding large hydro) already represents nearly 30% of India's installed power generation capacity, at 410 GW, with 10% of this capacity being wind energy. The combined impact of economic growth, net-zero goals and burgeoning electricity demand will result in a rapid increase in the share of renewable energy in the power generation mix. For wind power, India's target is to achieve a cumulative 140 GW of capacity by 2030.

5. Quality and Certification

The Company's focus is on quality of the products manufactured through fulfilling the requirements as per international standards and customer satisfactions. Company manned by highly qualified team and is equipped with state-of-the-art testing facilities at its Plant.

The Company is certified for Quality Management System (QMS) according to ISO:9001 2015 quality standards, ISO:14001 2015 Environmental management System and also according to ISO:45001 2018 Occupational Health and Safety Standards.

In order to keep in phase with present day requirements, ISO 27001 & ISO 50001 standard are being implemented. ISO 27001 standard enables the organization to establish an information security management system and apply a risk management process. ISO 50001 is a voluntary international standard, provides requirements for establishing, managing and improving energy consumption and efficiency.

6. Dividend

There being carried over losses of previous years which have not been set off completely against profits of current year. The Board do not recommend any dividend for Financial Year 2022-23 to the Equity Shareholders and Preference Shareholders.

7. Details of Subsidiaries, Joint Venture (JV) or Associate Companies (AC)

The Company does not have any Subsidiary, Associate and Joint Venture Company.

8. Amounts proposed to be carried to any Reserves

The Company has not transferred any amount to the reserves during the Financial Year ended on 31st March, 2023.

9. Change in Capital Structure of the Company

During the year under consideration, there was no change in the Issued and subscribed Capital Structure of the Company. However, during the year the Company has increase Authorized Share Capital by Rs.2.00 Crores i.e. from Rs.28.00 Crores to Rs.30.00 Crores.

Further, during the year under report the Company has not made buyback of shares or has not issued Bonus Shares, Sweat Equity Shares, Equity with differential voting rights and Employee stock option.

10. Change in nature of business, if any

During the Financial Year 2022-23 there was no change in the nature of business of the Company.

11. Material changes and commitments if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report

There are no material changes affecting the financial position of the Company subsequent to the close of the Financial Year 2022-23 till the date of this Report.

12. Significant & material orders passed by the Regulators or Courts or Tribunals

There are no significant material orders passed by the Regulators or Courts or Tribunal, which would impact the going concern status of the Company and its future operation.

13. Board of Directors and Key Managerial Personnel

The Board of the Company comprises an optimum combination of Executive, Non-Executive and Independent Directors.

I. Directors appointed / re-appointed during the year and date of Report

| | |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) | Mr. Shishir S. Shirgaokar (DIN:00166189), Director, retire by rotation and was re-appointed in the Annual General Meeting held on September 29, 2022. |
| b) | Mr. Chandan S. Shirgaokar (DIN:00208200), Director, retire by rotation and was re-appointed in the Annual General Meeting held on September 29, 2022. |
| c) | <p>The re-appointment of Mr. Dattaram Pandurang Kamat (DIN:02081844), Independent Director, was done under Section 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 and other applicable provisions, if any, of SEBI (LODR) Regulations 2015 by passing a special resolution on March 23, 2023 through Postal Ballot.</p> <p>The Nomination & Remuneration Committee and the Board of Directors at their meeting held on February 14, 2023 are of the opinion that he fulfills the conditions specified in the Companies Act, 2013 and is independent of the management. The Board considers that his continued association as an Independent Director of the Company would be of immense benefit to the Company and stakeholders. It is in the interest of the Company to continue to avail the benefits of his knowledge, expertise and vast experience.</p> |
| d) | <p>The re-appointment of Mrs. Prabha P. Kulkarni (DIN:00053598), Independent Director, was done under regulation 17(1A) of SEBI (LODR) Regulations, 2015 by passing a special resolution on March 23, 2023 through Postal Ballot.</p> <p>The Nomination & Remuneration Committee and the Board of Directors at their meeting held on February 14, 2023 are of the opinion that the continued valuable contribution of Mrs. Prabha Kulkarni and her expertise would serve a good purpose for the Company. She possesses the required expertise as a Non-Executive Independent Director. She has diverse experience in the Foundry Industry for last 56 years. Her opinions and suggestions in the past have proven to be beneficial for the Company.</p> |
| e) | <p>The re-appointment of Dr. Mallappa R. Desai (DIN:01625500), Independent Director, was done under regulation 17(1A) of SEBI (LODR) Regulations, 2015 by passing a special resolution on March 23, 2023 through Postal Ballot.</p> <p>The Nomination & Remuneration Committee and the Board of Directors at their meeting held on February 14, 2023 are of the opinion that the continued valuable contribution of Dr. Mallappa R. Desai and his expertise would serve a good purpose for the Company. He holds a degree of Bachelor of Medicine and Bachelor of Surgery. He has an overall experience of 47 years. His opinions and suggestions in the past have proven to be beneficial for the Company.</p> |
| f) | <p>Mr. V. S. Reddy was appointed as Additional Executive Director in the Board Meeting held on February 14, 2023 for a term of 3 years. His appointed was further confirmed by passing Special Resolution through Postal Ballot on March 23, 2023.</p> <p>Mr. Vendavagali Srinivasa Reddy aged 54 years, is the Whole Time Director of our Company. He holds a degree of Master in Technology from NIFFT, Ranchi and Bachelor in Mechanical Engineering from SKD University Andhra Pradesh. He has also completed Executive General Management from IIM Bangalore. He started his carrier in 1995 as technologist and acquired 29 years of experience in the Industry He handled various responsibility as product development, operation management, green field foundry project design and execution. He also worked with various companies like Simplex Casting Limited, U.P Steels, Larsen & Toubro Limited. He was originally appointed on the Board as Additional Director w.e.f. April 01, 2012 and regularized as Whole Time Director w.e.f. September 28, 2012 and Reappointed as Whole Time Director w.e.f. April 01, 2023 for a period of three years.</p> |

II. Directors resigned during the year and date of Report

There was no resignation by any director during the year under report.

III. KMP's appointed / resigned during the year and date of Report

There was no change in the composition of Key Managerial Persons (KMP).

IV. Directors / KMP who have been appointed / ceased to be Directors and / or KMP after the end of year and date of Report

There is no change in the composition of the Board as well as in KMPs of the Company during the year except point No. I under report.

V. The present Board of Directors and KMPs of the Company consists of:

| Name of Director & KMP | Category & Designation |
|---------------------------|------------------------------|
| Mr. Sachin R. Shirgaokar | Chairman & Managing Director |
| Mr. Shishir S. Shirgaokar | Non-Executive Director |
| Mr. Chandan S. Shirgaokar | Non-Executive Director |
| Mr. Sohan S. Shirgaokar | Joint Managing Director |
| Mr. V. S. Reddy | Executive Director |
| Mrs. Prabha P. Kulkarni | Independent Woman Director |
| Mr. Dattaram P. Kamat | Independent Director |
| Dr. Mallappa. R. Desai | Independent Director |
| Mr. Meyyappan Shanmugam | Independent Director |
| Mr. Subhash G. Kutte | Independent Director |
| Mr. Suhas B. Kulkarni | Chief Financial Officer |
| Mr. Nilesh M. Mankar | Company Secretary |

VI. Directors proposed to be re-appointed at the ensuing Annual General Meeting

Mr. Chandan S. Shirgaokar (DIN: 00208200), Non-Executive Director, retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

On the recommendation of N&R Committee, the Board was approved the reappointment of Mr. Meyyappan Shanmugam (DIN: 00079844) as an Independent Director for the second term of 5 years w.e.f. May 19, 2023 in the Board meeting held on May 26, 2023.

VII. Policy on Director's Appointment and Remuneration

The policy of the Company on Directors appointment and remuneration, including criteria for determining qualifications, positive attitudes, independence of the directors and other matters provided under section 178(3) of the Act and the listing regulations adopted by the Board is available on the web site of the Company and details of remuneration paid to the Directors are provided in **Annexure IV**. We affirm that remuneration paid to the Directors is as per the terms laid down in the Nomination and Remuneration Policy of the Company.

14. Declaration from Independent Directors

During the year under review, all Independent Directors have given a declaration that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013.

15. Number of Board Meetings held

Total 4 (four) Board Meetings were held during the financial year 2022-23 on:

- | | |
|----------------------|----------------------|
| 1. May 20, 2022 | 2. August 10, 2022 |
| 3. November 12, 2022 | 4. February 14, 2023 |

The gap between any two consecutive Board Meetings did not exceed 120 days.

16. Particulars of Employees

The particulars of employees pursuant to Section 197 of the Companies Act, 2013 read with Sub-Rule (2) and (3) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report as an **Annexure - IV**.

17. Committees

The Company has constituted Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee. Further The details of constitution of these committees are furnished below:

Audit Committee:

| Name of Director | Nature of Directorship |
|---------------------------|---------------------------------|
| Mr. Subhash G. Kutte | Independent Director (Chairman) |
| Mrs. Prabha P. Kulkarni | Independent Director |
| Mr. Dattaram P. Kamat | Independent Director |
| Dr. Mallappa R. Desai | Independent Director |
| Mr. Chandan S. Shirgaokar | Non-Executive Director |

Nomination and Remuneration Committee:

| Name of Director | Nature of Directorship |
|-------------------------|---------------------------------|
| Mr. Dattaram P. Kamat | Independent Director (Chairman) |
| Mrs. Prabha P. Kulkarni | Independent Director |
| Mr. Subhash G. Kutte | Independent Director |

Stakeholders Relationship Committee:

| Name of Director | Nature of Directorship |
|---------------------------|---------------------------------|
| Mrs. Prabha P. Kulkarni | Independent Director (Chairman) |
| Mr. Dattaram P. Kamat | Independent Director |
| Mr. Shishir S. Shirgaokar | Non-Executive Director |

Additionally, during the financial year ended March 31, 2023, the Independent Directors held a separate meeting on February 14, 2023 in Compliance with requirement of Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.

18. Disclosure Under, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has duly Constituted Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Based on Annual Report of said Committee and as per Section 21 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the disclosure details are as follows:

Constitution of Committee as on date of this report

a) Members of Committee:

| Name | Role in Committee |
|-----------------------|-------------------------------------------|
| Miss. Divya Patil | Presiding Officer & Engineer – Technology |
| Mrs. Rima Patil | Member & Jr. Officer – HR & Admin |
| Miss. Yogita Yedurkar | Member & Engineer – QA |
| Mr. Sanjay Patil | Member & Dy. Manager – HR |
| Mr. Ram Birangaddi | Member & Asst. Sr. Manager – Accounts |

b) Report of Committee:

| Particulars | Details |
|------------------------------------------------------------------------------------------------|---------|
| Number of complaints received during the year | Nil |
| Number of complaints disposed off during the year | NA |
| Number of cases pending for more than ninety days | NA |
| Number of workshops or awareness program carried out against sexual harassment during the year | Nil |
| Action taken by the Company | NA |

19. Vigil Mechanism / Whistle Blower

The Company has adopted a Vigil Mechanism Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

20. Development and Implementation of Risk Management Policy

The Company has in place a mechanism to identify, assess, monitor, and mitigate various risks to key business set-up for the Company. As a part of the Risk Management Policy, the relevant parameters for the protection of the environment, safety of operations and health of people at work are monitored regularly. However, the Company doesn't fall under the applicability of the formation of the Risk Management Committee under regulation 21 of SEBI (LODR) Regulations 2015.

The Board does not foresee any risk which might threaten the existence of the Company.

21. Deposits

The Company has accepted deposits from its members and others amounting to Rs.318.50 lakhs and repaid Rs.435 lakhs during the financial year 2022-23 as per the provisions of section 73 & others of the Companies Act, 2013, read with Companies (Acceptance of Deposit) Rules, 2014. The deposits amounting to Rs.1024.75 lakhs are yet to be matured.

Following are the disclosures relating to Deposits accepted:

| Particulars | Amount Rs. In lakhs |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Details of deposits accepted during the year | 318.50 |
| Deposits remaining unpaid or unclaimed as at the end of the year | - |
| Deposits yet to be matured | 1024.75 |
| Default in repayment of deposits or payment of interest thereon during the year, and if so, the number of such cases and the total amount involved: at the beginning of the year; maximum during the year; at the end of the year. | - |
| Details of deposits which are not in compliance with the requirements of the Act. | - |

Credit Rating

The Board of Directors wish to raise deposits from the members during the Financial Year 2022-23 for which a Board resolution was passed on August 10, 2022 and circular for inviting deposits in Form DPT-1 was approved for issuing to its members. The said circular for inviting deposits in Form DPT-1 was submitted with the Registrar of Companies on September 29, 2022 and was issued to members on November 09, 2022. Accordingly, in order to comply with the provisions of section 73 of the Companies Act, 2013, credit rating for the outstanding deposits and proposed deposits was obtained from Crisil Ratings on June 02, 2023. The Agency had assigned the Rating of "BBB-/Stable" (pronounced as CRICIL Triple B minus rating with Stable outlook) for the Deposits.

22. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

AJ Conservation of Energy: There is an opportunity to reduce the power consumption up to 10% by implementing following;

- a. New 15 MT melting furnace is installed which will reduce the power consumption up to 100 Units/MT for large castings with combined heats.
- b. Melt manager software installed to optimize melting power consumption.
- c. All major energy consuming equipment's are being installed with smart meters to track energy consumption and optimize. Same is being integrated with optimization software.
- d. Cross functional team is working on optimizing the power consumption at various part of operations.

B] Technology Absorption: Following technological updates are being done to enhance the manufacturing efficiency;

- a. Implementation of Industry 4.0 to collect the key operational data and optimize
- b. Metallurgical optimization is being carried out through ATAS system database and simply the manufacturing process.
- c. Solution strengthened ductile iron grade (SSDI) is being developed large thickness castings with specific fatigue and fracture requirement.

C] Foreign Exchange Earnings & Outgo:

- a. By enlarge all the input material is procured from local suppliers.
- b. There is continuous effort in minimizing the imports and reduce the consumption of import material.
- c. During the year, the total foreign exchange outgo is Rs.1761.96 lakhs and the total foreign exchange earned was equivalent to Rs.2933.39 lakhs.

23. Corporate Social Responsibility (CSR)

The report as per Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as **Annexure III**.

24. Auditors

i) Statutory Auditors

In the Annual General Meeting held on 28th September 2021, M/s DAB & Associates, Chartered Accountants, having FRN101119W have been appointed as Statutory Auditors of the Company for the period of five years to hold office till the conclusion of the Annual General Meeting of the Company to be held in the year 2027. With notification of the amendment to section 139 by the Companies (Amendment) Act, 2017, provision for ratification of the appointment of the Auditors at every Annual General Meeting of the Company has been omitted. Accordingly, it is brought to the notice of the members that ratification of the appointment of Statutory Auditors will not be required.

ii) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Prajot Tungare & Associates, Company Secretaries, Pune to undertake the Secretarial Audit for the financial year 2023-24.

The Report of the Secretarial Audit for the Financial Year 2022-23 is annexed herewith as an **Annexure II** to this Report.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Secretarial Auditors in their report.

iii) Cost Auditors

Pursuant to provisions of section 148 of Companies Act 2013, M/s. Adawadkar Chougule & Associates, Cost Accountants (Firm Registration No.00425) have been re-appointed for conducting audit of cost records maintained by the Company for the products, applicable as per Companies (Cost Records and Audit) Amendment Rules, 2014 for F.Y. 2023-24. The Audit Committee of the Company has also recommended the appointment of M/s. Adawadkar Chougule & Associates, Cost Accountants, as Cost Auditor of the Company. Their remuneration is subject to approval by the Members.

Maintenance of Cost Records:

Company is duly maintaining cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

iv) Internal Auditor

The Board has appointed Mr. Vijay Mhakave, Company Secretary of the Company, as an Internal Auditor of the Company pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 of the Companies Act, 2013.

25. Explanation or Comments of Statutory Auditors and Secretarial Auditor

The Notes on financial statements referred to in the Auditors report are self-explanatory and do not call for any further comments. The Statutory Auditors Report and Secretarial Audit Report do not contain any qualification, reservation or adverse remarks.

26. Directors Responsibility Statement

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, the Directors state:

That in the preparation of the Annual Accounts for the year ended March 31, 2023, the applicable Accounting Standards have been followed along with proper explanations relating to material departures, if any;

That they 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 the Company at the end of the financial year and of the profit of the Company for the period;

They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

That the annual financial statements have been prepared on a going concern basis;

That they have laid down internal financial controls to be followed by the Company and that such internal financials controls are adequate and are operating effectively.

That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

27. Annual Return

As required under Section 92(3) of the Act and the Rules made thereunder and amended from time to time, the Annual Return of the Company in prescribed Form MGT-7 is available on the website of the Company at <https://synergygreenind.com/sites/default/files/pdf/annual-report/Annual%20Report%2022-23.pdf>

28. Particulars of Loans, Guarantees and Investments

The Company has not given any loan or guarantee or security. The details of investment made by company under Section 186 of the Companies Act, 2013 are disclosed in Note no.2 (Financial Assets: Investments).

29. Particulars of Related Party Transactions

All transactions entered into with Related Parties as defined under Section 2(76) of the Companies Act, 2013 during the financial year were in the ordinary course of business and at an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

The Company has formulated a policy on materiality of Related Party Transactions and on dealing with Related Party Transactions. The Company has also taken omnibus approval from Audit Committee held on May 26, 2023 for the F.Y. 2023-24.

The particulars of related party transactions in prescribed Form AOC - 2 are attached as **Annexure I**.

30. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the Regulations, the Board has carried out performance evaluation of its own performance and that of its committees and individual Directors.

31. Familiarisation Program:

The Company regularly provides orientation and business overview to its Directors by way of detailed presentations by the various business and functional heads at Board meetings and through other interactive programs. Such meetings/programs include briefings on domestic and global business of the Company. Besides this, the Directors are regularly updated about Company's new projects, expansion plannings, changes in regulatory environment and strategic direction.

The Board members are also provided relevant documents, reports and internal policies to facilitate familiarization with the Company's procedures and practices, from time to time.

The details of programmes for familiarisation for Independent Directors are posted on the website of the Company and can be accessed at

<https://synergygreenind.com/sites/default/files/2.Familization%20Programmes.pdf>

32. Disclosures by Directors:

The Board of Directors have submitted a notice of interest in Form MBP 1 under Section 184(1) as well as intimation by Directors in Form DIR 8 under Section 164(2) and declaration as to compliance with the Code of Conduct of the Company.

33. Code of Conduct for Prohibition of Insider Trading:

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of conduct for prevention of insider trading, as approved by the Board from time to time, is in force. The objective of this Code is to protect the interest of shareholders at large, to prevent misuse of any price-sensitive information, and to prevent any insider trading activity by dealing in shares of the Company by its Directors, designated employees, connected persons and other employees. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees, connected persons and other employees from trading in the shares of the Company at the time when there is unpublished price sensitive information.

The Policy is available on the website of the Company at

<https://synergygreenind.com/investors/code-conduct-insider-trading>

34. Code of Conduct for Independent Directors:

The Board has also laid down a Code of Conduct for Independent Directors pursuant to Section 149(8) and Schedule IV to the Companies Act, 2013 via terms and conditions for appointment of Independent Directors, which is a guide to professional conduct for Independent Directors and has been uploaded on the website of the Company at following web link:

<https://www.synergygreenind.com/sites/default/files/3.Terms%20and%20Conditions%20for%20appointment%20of%20Independent%20Director.pdf>

35. Finance and Accounts:

Financial Statement has been prepared in accordance with accounting standards as issued by the Institute of Chartered Accountants of India and as specified in Section 133 of the Companies Act, 2013 and the relevant rules thereof and in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. IND AS is applicable to the Company. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's financial position.

36. Fraud Reporting:

There has been no frauds reported by the Auditors of the Company to the Audit Committee or the Board of Directors under sub-Section (12) of Section 143 of the Companies Act, 2013 during the financial year.

37. Non-Disqualification of Directors:

All the Directors of the Company are non- disqualified and certificate for the same from the Practicing Company Secretary in annexed as **Annexure-A** forming a part of Corporate Governance Report.

38. Business Responsibility Statement:

Your Company does not fall under Top 1000 listed entities as per Market Capitalization. Hence, the Business Responsibility Report for the financial year, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not enclosed to this Annual Report.

39. Corporate Governance

The Company has been following good Corporate Governance since its inception. The shares of the Company are listed on BSE Ltd. and National Stock Exchange of India Ltd. We are regularly and timely complying with the requirements as per the Listing Agreements. The Company has paid annual listing fees for the Financial Year 2023-24. As required by SEBI Guidelines, a Corporate Governance Report, including the Auditor's Certificate on Corporate Governance is annexed as **Annexure VI**.

40. Management Discussion and Analysis Report

Management Discussion & Analysis Report for the year under review as stipulated under Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as **Annexure V** hereto and forms part of this Report.

41. Internal Control Systems and their adequacy

The Company has an Internal Control Framework, which is commensurate with the size, scale and complexity of its operations. This framework ensures adequate safeguards and process to address the evolving business requirements. The Company has in place adequate internal financial controls with reference to financial statements. The Company adopted Internal Audit Programme specifying mission, scope of work, independence, accountability, responsibility and authority of the said Internal Audit. The Company has also appointed Mr. Vijay Mhakave, Asst. Manager-Accounts as internal auditor of the Company for conducting Internal Audit.

In order to ensure that all these systems are working smoothly and with no errors or malfunctions, the Company has an Internal Audit System, which covers various functional areas within the Company as per the audit program drawn up in consultation with the audit committee on an annual basis.

Strengthening of controls is a continuous and evolving process in the Company. The management undertakes preventive and corrective actions, which are then horizontally deployed across the organization. During the year, such controls were put to test and no reportable material weaknesses were observed, either in framing the controls or their implementation.

In addition, the Company has an Audit Committee, which oversees the various aspects of the financial and other controls, including annual operating plans, quarterly reporting of performance, annual accounting etc.

42. Company's Policy on Directors', Key Managerial Personnel's and Senior Management Personnel Appointment and Remuneration

The Company has adopted Nomination and Remuneration Policy based on recommendations of Nomination and Remuneration Committee of the Company, for selection and appointment of Directors, Key Managerial Personnels, Senior Management and fixing their remuneration. Disclosures of the ratio of the remuneration of each Director to the median employee's remuneration and other details as required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, is provided as "Annexure IV".

The Policy is placed on the Company's website, viz https://www.synergygreenind.com/investors/corporate_governance/policy.

43. Compliances with respect to applicable Secretarial Standards

The Company has ensured compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

44. Insolvency and Bankruptcy Code Update:

No application has been made / No proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.

45. Valuation for one time settlement with Bank and Financial Institution:

The Company has not made any valuation for one-time settlement with banks and financial Institution. Hence, there is no reason for elaboration on the said aspect.

46. Acknowledgements

Your Directors would like to place on record their appreciation for the support to the Company received from the Employees at all levels. Our growth was made possible by their hard work, solidarity, co-operation and support. We would also like to thank our Bankers, Associates and all other clients and well-wishers..

FOR AND ON BEHALF OF THE BOARD OF
SYNERGY GREEN INDUSTRIES LIMITED

Place : Kolhapur
Date : May 26, 2023

SACHIN R. SHIRGAOKAR
CHAIRMAN & MANAGING DIRECTOR
DIN : 00254442

SOHAN S. SHIRGAOKAR
JOINT MANAGING DIRECTOR
DIN : 00217631

ANNEXURE - I
Form No. AOC-2

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

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

| Sl. | Particulars | 1 | 2 |
|-----|------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| 1 | Name(s) of the related party | S. B. Reshellers Pvt. Ltd. | The Ugar Sugar Works Ltd. |
| 2 | Nature of relationship | Company with common Directorship | Director's holding >2% |
| 3 | Nature of Contracts / arrangements/ transactions | Purchase of castings, obtaining services such as machining, repairs to moulds, manufacturing of moulds, payment of rents, sale of scrap & shot blasting service given and Purchase of Sugar, mfg. of interlocking paving blocks, Design tiles and cement base products. | |
| 4 | Duration of the contracts/ arrangements/transactions | 01.04.2022 to 31.03.2023 | |
| 5 | Salient terms of the contracts or arrangements or transactions including the value | 1. Purchase of Other items Rs.2,68,61,678 2. Labour Charges Paid Rs.1,19,242 3. Purchase of Fixed Asset Rs.56,58,279 4. Office Rent Paid Rs.2,64,600 | Purchase of other items Rs.1,61,200 |
| 6 | Justification for entering into such contracts or arrangement or transactions | Transactions are done on the basis of comparison of quotations received from similar parties in the market and earlier performance of the party, quality of supply and service. Also, recommendations by our technical team have been considered. All the transactions are done at the fair market value and are at arm's length basis. | |
| 7 | Date(s) of approval by the Board | Omnibus Approval for all related party transaction has been obtained in Audit Committee Meeting as well as Board Meeting held on May 20, 2022. | |
| 8 | Amount paid as advances, if any | Nil | |

For Synergy Green Industries Limited

Sachin R. Shirgaokar
Chairman & Managing Director
DIN : 00254442

Sohan S. Shirgaokar
Joint Managing Director
DIN : 00217631

ANNEXURE - II

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023

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

To,

The Members,

SYNERGY GREEN INDUSTRIES LIMITED

CIN: L27100PN2010PLC137493

392 E Ward Shahupuri, Kolhapur Maharashtra 416001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Synergy Green Industries Limited ("the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Management is responsible for the preparation and filing of all the forms, returns and documents for the compliances under the Companies Act, 2013, rules there under and compliances of all the laws and regulations listed hereinafter and to ensure that they are free from material non-compliance, whether due to fraud or error.

Secretarial Audit for the Company is conducted as a process of verification of records and documents on sample basis to check secretarial compliances with the provisions of laws, rules and procedures. The procedure for Secretarial Audit is selected on the Secretarial Auditor's judgment of material facts of the documents submitted. Our responsibility is to express an opinion on the secretarial compliances of the aforesaid laws done by the Company on the basis of our audit. We have conducted the audit solely on the basis of secretarial compliances and filing done by the Company, under the below mentioned laws.

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 make our report on the basis of our opinion during the audit conducted covering the financial year ended on 31st March 2023, on various secretarial compliances with statutory provisions listed hereunder and on Board processes and compliance mechanism to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2023, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - ~~(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 [Not applicable to the Company during the audit period];~~
 - ~~(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [Not applicable to the Company during the audit period];~~
 - ~~(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [Not applicable to the Company during the audit period];~~
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) ~~The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Not applicable to the Company during the audit period];~~
- (h) ~~The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 [Not applicable to the Company during the audit period]; and~~
- (i) The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015.
- (vi) As per discussion with the officials of the Company, there are no Other Laws specifically applicable to the Company.

We have also examined secretarial compliances with the applicable clauses of the following:

- (i) Secretarial Standard 1 & 2 issued by the Institute of Company Secretaries of India; and
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

We further report that:

1. Board of Directors of the Company is duly constituted with proper balance of Directors, Non-Executive Directors and Independent Directors, including Woman Director.
2. As per information and representation given, we also report that adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for active participation at the meeting.
3. As per minutes of the meetings duly recorded and signed by the Chairman, no dissenting views have been recorded.

We further report that the compliance by the Company of applicable financial statements and laws has not been reviewed in this audit since the same has been subject to review by statutory financial audit and other designated professionals.

We further report that based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit and also on the review of representation provided by the Officers, Company Secretary and Director of the Company, in my opinion adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines as mentioned above.

For Prajot Tungare & Associates
Company Secretaries
(Firm Reg. No. P2001MH01020)

CS Jayesh Parmar
Partner
FCS: 11745
CP No: 17776
PR No.: 993/2020
UDIN: F011745E000389661

Date: 26/05/2023
Place: Pune

ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE

To,

The Members,

SYNERGY GREEN INDUSTRIES LIMITED

CIN: L27100PN2010PLC137493

392, E Ward, Shahupuri, Kolhapur Maharashtra 416001

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Prajot Tungare & Associates
Company Secretaries
(Firm Reg. No. P2001MH01020)

CS Jayesh Parmar
Partner
FCS: 11745
CP No: 17776
PR No.: 993/2020
UDIN: F011745E000389661

Date: 26/05/2023
Place: Pune

ANNEXURE – III
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

For the financial year ended on March 31, 2023

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

The CSR Policy will cover the following focus areas which the Company will undertake through its various initiatives in the areas of 1. Health, 2. Education, 3. Community Development, 4. Natural Calamities and 5. Sports Development and Cultural Activities. Also, to promote, carry out, support any activities covered in Schedule VII to the Companies Act 2013, as amended from time to time.

In the financial year 2022-23, the Company has promoted activities relating to Health, Education etc.

2. Composition of CSR Committee:

Pursuant to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the CSR Committee is not required to be constituted if amount to be spent by a Company in a year does not exceed Rs. 50 Lakhs. Currently, the CSR liability for the Company is less than Rs.50 Lakhs. Hence all functions for fulfilling CSR liability shall be carried out by the Board of Directors of the Company.

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

- CSR Committee of the Company was dissolved in terms of section 135(9) of the Companies Act, 2013 w.e.f. February 09, 2021.
- CSR Policy of the Company is disclosed on the website of the Company. Weblink of the same is https://www.synergygreenind.com/sites/default/files/CSR_%20POLICY0.pdf CSR Projects are approved by the Board in terms of the CSR Policy of the Company which are detailed in the Point 7(c).

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) - NA
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

| Sl. No. | Financial Year | Amount available for set-off from preceding financial years (in Rs.) | Amount required to be set-off for the financial year, if any (in Rs.) |
|---------|----------------|----------------------------------------------------------------------|-----------------------------------------------------------------------|
| 1 | 2022-23 | 56,337.00 | 56,337.00 |
| | TOTAL | 56,337.00 | 56,337.00 |

6. Average net profit of the company as per section 135(5) – Rs.508.61 lakhs
7. (a) Two percent of average net profit of the company as per section 135(5) – Rs.10.17 lakhs

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

(c) Amount required to be set off for the financial year, if any – Rs.0.56 lakhs.

Total CSR obligation for the financial year (7a+7b- 7c) = Rs.9.61 Lakhs

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

| Total Amount Spent for the Financial Year. (in Rs.) | Amount Unspent (in Rs.) | | | | |
|-----------------------------------------------------|------------------------------------------------------------------------|-------------------|------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6). | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). | | |
| | Amount. | Date of transfer. | Name of the Fund | Amount. | Date of transfer. |
| 10,00,000 | 0.00 | NA | Contribution to Hospital and Education | 2,00,000 1,00,000 7,00,000 | 30.01.2023 29.03.2023 29.03.2023 |

(b) Details of CSR amount spent against **ongoing projects** for the financial year: **Not Applicable**

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | (9) | (10) | (11) |
|---------|---------------------|------------------------------------------------------------|-----------------------|--------------------------|----------|------------------|-------------------------------------------|-----------------------------------------------------|------------------------------------------------------------------------------------------|------------------------------------------|------------------------------------------------------|
| Sl. No. | Name of the Project | Item from the list of activity in Schedule VII to the Act. | Local area (Yes/ No). | Location of the project. | | Project duration | Amount allocated for the project (in Rs.) | Amount spent in the current financial Year (in Rs.) | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency |
| | | | | State | District | | | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - |

(c) Details of CSR amount spent against **other than ongoing projects** for the F.Y.2022-23:

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | |
|---------|----------------------------------------------|--------------------------------------------------------------------|----------------------|--------------------------|-----------|----------------------------------------|------------------------------------------|------------------------------------------------------|--------------------------|
| Sl. No. | Name of the Project | Item from the list of activities in schedule VII to the Act. | Local area (Yes/ No) | Location of the project. | | Amount spent for the project (in Rs.). | Mode of implementation- Direct (Yes/No). | Mode of implementation- Through implementing agency. | |
| | | | | State. | District. | | | Name. | CSR registration number. |
| 1. | Contribution to E-learning kits for Students | Activities Related to clause (ii) of Sch.VII of Companies Act 2013 | Yes | Maharashtra | Kolhapur | 2.00 Lakh | Yes | Raje Vikramsingh Ghatge Foundation | CSR00012875 |
| 2. | Contribution to Cancer Hospital | Activities Related to clause (i) of Sch.VII of Companies Act 2013 | No | Maharashtra | Miraj | 1.00 Lakh | Yes | Shri Siddhivinayak Ganapati Cancer Hospital | CSR00020620 |
| 3. | Skill Development Centre | Activities Related to clause (ii) of Sch.VII of Companies Act 2013 | Yes | Maharashtra | Kolhapur | 7.00 Lakh | Yes | Manufacturing Association of Kagal Hatkanagle | CSR00024293 |
| TOTAL | | | | | | 10.00 Lakhs | | | |

(d) Amount spent in Administrative Overheads - NIL

(e) Amount spent on Impact Assessment, if applicable – NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs.10.00 Lakhs

(g) Excess amount for set off, if any

| Sl. No. | Particular | Amount (Rs. In lakhs) |
|---------|-----------------------------------------------------------------------------------------------------------|-----------------------|
| (i) | (a) Two percent of average net profit of the company as per section 135(5) | 10.17 |
| | (b) Less amount available for Set off to the financial year | (0.56) |
| | Net CSR Liability for the financial Year 2022-23 [(a) – (b)] | 9.61 |
| (ii) | Total amount spent for the Financial Year | 10.00 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | (0.39) |
| (iv) | Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any | 0.00 |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 0.39 |

9. (a) Details of Unspent CSR amount for the preceding three financial years: These details are not applicable for financial years prior to 2021-22.

| Sl. No. | Preceding Financial Year. | Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.) | Amount spent in the reporting Financial Year (in Rs.) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. | | | Amount remaining to be spent in succeeding financial years. (in Rs.) |
|---------|---------------------------|--------------------------------------------------------------------------|-------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------------|------------------|----------------------------------------------------------------------|
| | | | | Name of the Fund | Amount (in Rs.) | Date of transfer | |
| NA | NA | NA | NA | NA | NA | NA | NA |
| | TOTAL | | | | | | |

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

| Sl. No. | Project ID | Name of the Project | Financial Year in which the project was commenced. | Project duration | Total amount allocated for the project (in Rs.) | Amount spent on the project in the reporting Financial Year (in Rs) | Cumulative amount spent at the end of reporting Financial Year. (in Rs.) | Status of the project- Completed /Ongoing. |
|---------|------------|---------------------|----------------------------------------------------|------------------|-------------------------------------------------|---------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| NA | NA | NA | NA | NA | NA | NA | NA | NA |

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

- Date of creation or acquisition of the capital asset(s) - NA
- Amount of CSR spent for creation or acquisition of capital asset - NA
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.- NA
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). – NA

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

For Synergy Green Industries Limited

Sachin R. Shirgaokar
Chairman & Managing Director
DIN : 00254442

Sohan S. Shirgaokar
Joint Managing Director
DIN : 00217631

ANNEXURE – IV
Details of Remuneration as required under section 197 (12) of the Companies Act, 2013 Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-23, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

| Sr. No. | Name of Director/ KMP and Designation | % Increase / Decrease in Remuneration in the Financial Year 2022-23 | Ratio of Remuneration of each Director/ to median remuneration of employees | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; |
|---------|------------------------------------------------------|---------------------------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1) | Sachin R. Shirgaokar Chairman & Managing Director | 1.02% | 20.29 | Average salary increase of non-managerial employees is 2.71%. Average salary has increased of managerial employees is 1.47%. |
| 2) | Sohan S. Shirgaokar Jt. Managing Director | 1.02% | 20.29 | |
| 3) | V. S. Reddy Whole Time Director | 2.44% | 19.09 | |
| 4) | Suhas B. Kulkarni Chief Financial Officer | 4.82% | N.A. | |
| 5) | Nilesh M. Mankar Company Secretary | 7.01% | N.A. | |

- ii. The median remuneration of employees of the Company during the financial year was Rs.4.28 Lakh.
- iii. In the financial year, there was an increase of 5.57% in the median remuneration of employees.
- iv. There were 183 permanent employees on the roll of the Company as on March 31, 2023.
- v. It is hereby affirmed that the remuneration paid during Financial Year 2022-23 is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and financial statements are being sent to Members and others entitled thereto, excluding the information on employees' particulars which will be available for inspection in electronic mode up to the date of AGM.

During the financial year 2022-23, no employee, whether employed for whole or part of the year, was drawing remuneration exceeding the limits mentioned under Section 197(12) of the Act read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

For Synergy Green Industries Limited

Sachin R. Shirgaokar
Chairman & Managing Director
DIN : 00254442

Sohan S. Shirgaokar
Joint Managing Director
DIN : 00217631

ANNEXURE – V

Management Discussion and Analysis

FORWARD LOOKING STATEMENT

The report contains forward-looking statements, identified by words like ‘plans’, ‘expects’, ‘will’, ‘anticipates’, ‘believes’, ‘intends’, ‘projects’, ‘estimates’ and so on. All statements that address expectations or projections about the future, but not limited to the Company’s strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realized. The Company’s actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events. The Company disclaims any obligation to update these forward-looking statements, except as may be required by law.

GLOBAL WIND INDUSTRY OVERVIEW:

The wind industry has enjoyed its third-best year. Nearly 78 GW of wind power capacity was added last year, the lowest level in the past three years but still the third highest year in history. This was achieved despite a challenging economic environment and a disrupted global supply chain, compounded by global health and energy crises. Globally, 77.6 GW of new wind power capacity was connected to power grids in 2022, bringing total installed wind capacity to 906 GW, a year-on-year (YoY) growth of 9%.

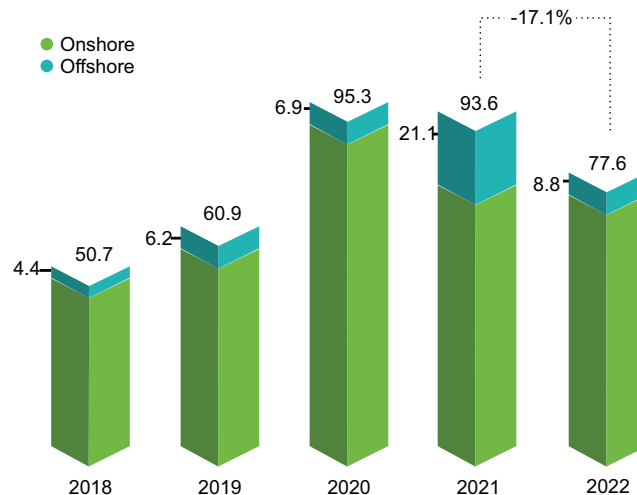
The onshore wind market added 68.8 GW worldwide last year, with China contributing 52%. Additions were 5% lower than the previous year. The slowdown in Latin America, Africa & the Middle East is partly responsible for the decline, but the primary reason is falling installations in the US. Despite finishing the year with a strong final quarter, the US wind industry commissioned only 8.6 GW of onshore wind capacity in 2022, due in part to supply chain constraints and grid interconnection issues. 8.8 GW of new offshore wind was fed into the grid last year, bringing total global offshore wind capacity to 64.3 GW by the end of 2022. New additions were 58% lower than the bumper year of 2021 but still made 2022 the second highest year in history for offshore wind installations.

The unprecedented twin challenges of ensuring secure and affordable energy supplies and meeting climate targets have propelled wind power development into an extraordinary new phase of ever faster growth. After a challenging year, the global wind market is ready to bounce back in 2023, exceeding 100 GW for the first time.

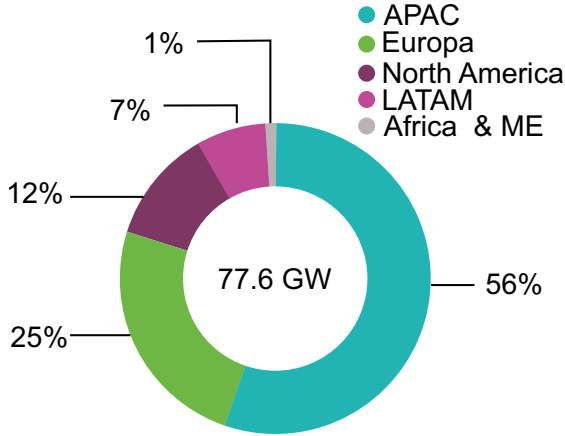
The world’s top five markets for new installations in 2022 were China, the US, Brazil, Germany and Sweden. Altogether, they made up 71% of global installations last year, collectively 3.7% lower than 2021. This was primarily due to the world’s two largest markets, China and the US, losing a combined 5% market share compared with the previous year – the second consecutive year that both countries have lost market share.

In terms of cumulative installations, the top five markets as of the end of 2022 remained unchanged. China, the US, Germany, India and Spain together accounted for 72% of the world’s total installed wind power capacity, as in 2021.

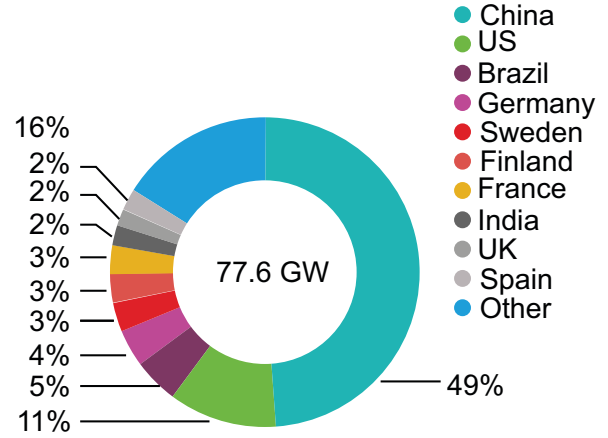
New installations
GW



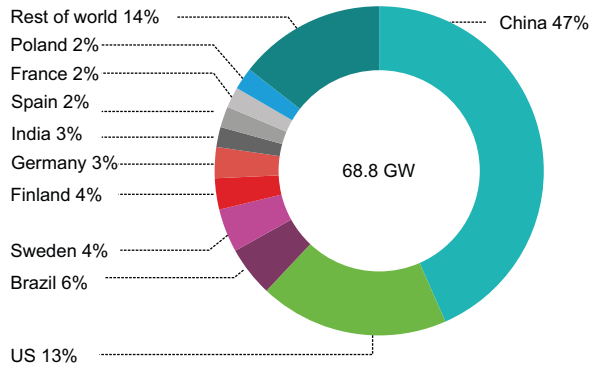
New wind power capacity in 2022 by region (%)



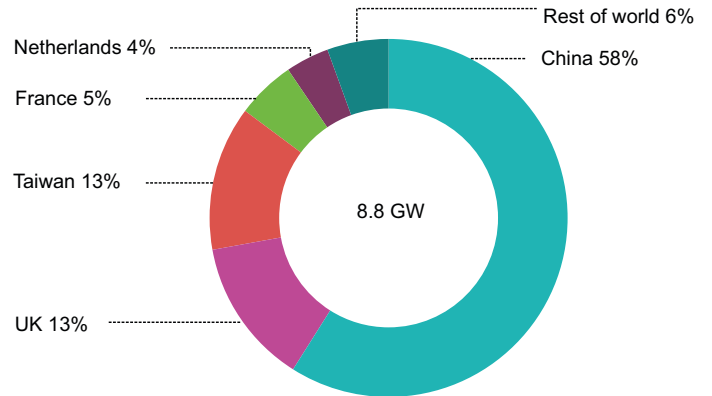
New wind power capacity in 2022 and share of top 10 marks (%)



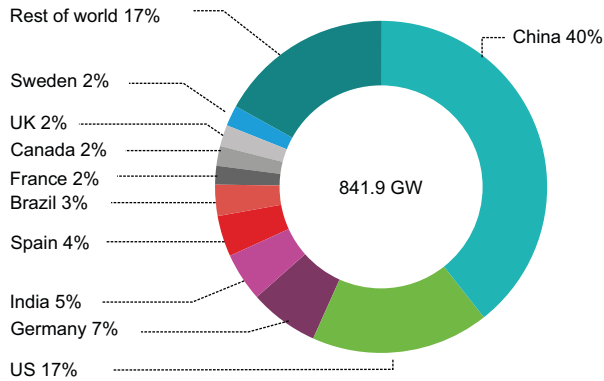
New installations onshore (%)



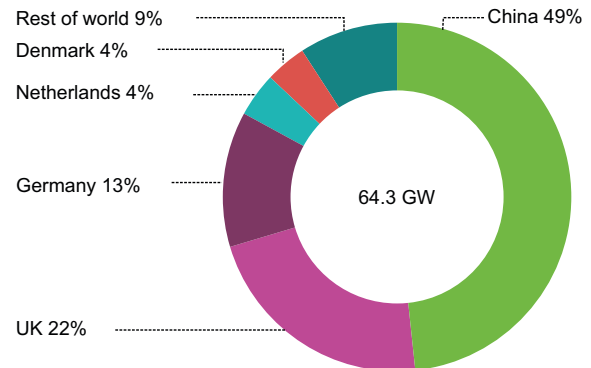
New installations offshore (%)



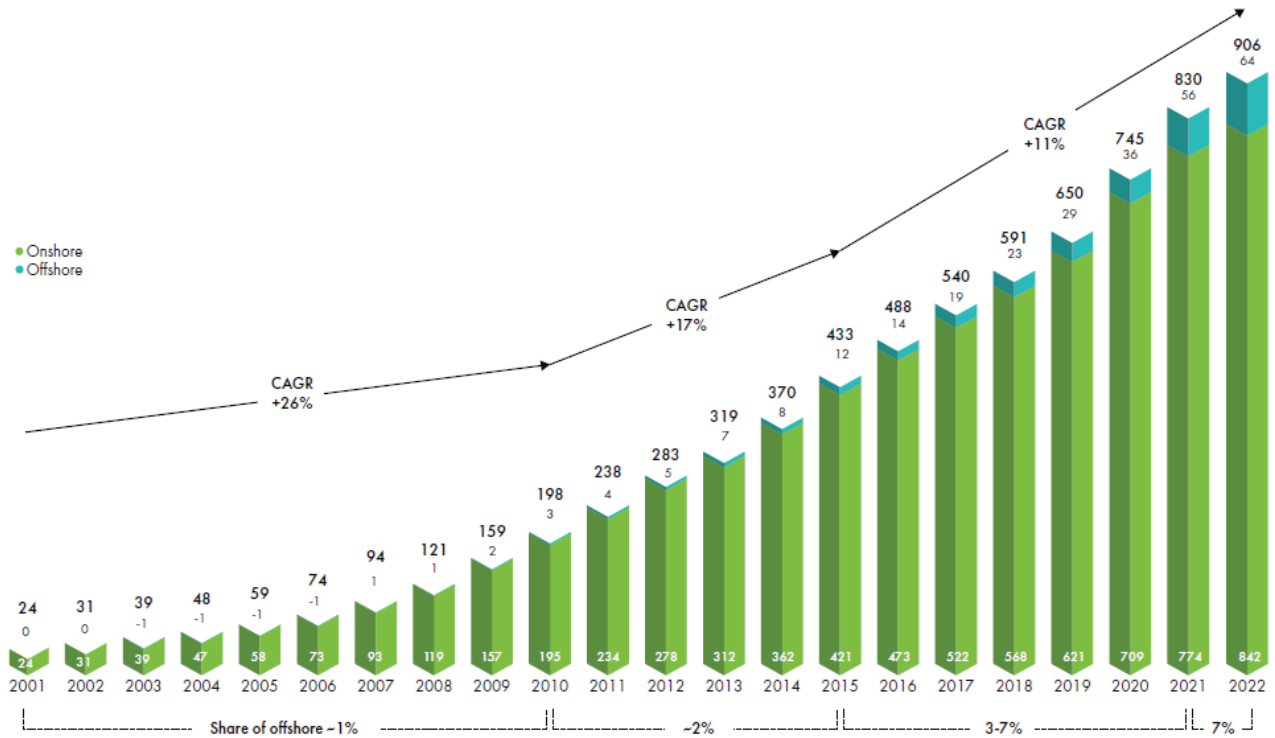
Total installations onshore (%)



Total installations offshore (%)

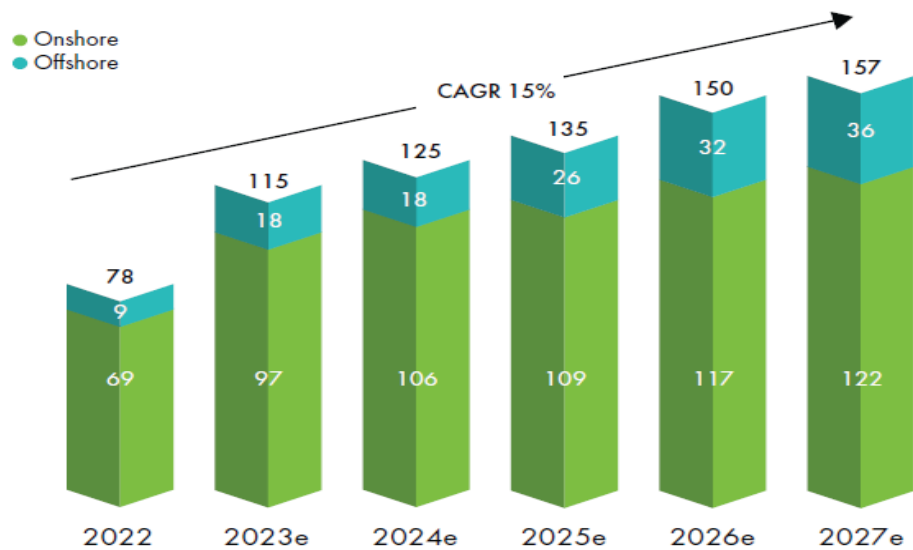


Historic development of total installations (GW)



GWEC adjusted 2021 total installations compared with the Global Wind Report 2022 based on the latest available statistics. For details see Appendix – Methodology and Terminology

New installations outlook 2023–2027 (GW)



GWEC's Market Outlook represents the industry perspective for expected installations of new capacity for the next five years. The outlook is based on input from regional wind associations, government targets, tender results, announced auction plans, available project pipeline, and input from industry experts and GWEC members. An update will be released in Q3 2023. A detailed data sheet is available in the member-only area of the GWEC Intelligence website.

INDIAN WIND INDUSTRY OVERVIEW:

India eyes global wind energy supply chain opportunities as it targets growth in capacity additions. In the midst of global uncertainty caused by the global COVID pandemic, the Russia-Ukraine war and recessionary pressures, India’s continued political stability has provided strong support for the country’s climate commitments. India has prioritized renewable energy, including wind power, in its long-term vision for transformation lifting expectations for a wind sector that experienced a slowdown in capacity additions in the recent past.¹

India’s Central Electricity Authority (CEA) projects Ex-Bus electricity demand to grow 75% by 2031-32 from 2021-22 levels, and 170% by 2041–42. Demand is projected to increase by more than 90% in four out of the eight windiest states by the start of the next decade. The World Energy Outlook 2022 estimates demand to triple between 2021 and 2050.

India aspires to be a 5 trillion USD dollar economy by 2025 and aims to grow manufacturing GDP 15-fold between 2021 and 2047. It is also committed to achieving net zero by 2070. Renewable energy (excluding large hydro) already represents nearly 30% of India’s installed power generation capacity, at 410 GW, with 10% of this capacity being wind energy. The combined impact of economic growth, net-zero goals and burgeoning electricity demand will result in a rapid increase in the share of renewable energy in the power generation mix. For wind power, India’s target is to achieve a cumulative 140 GW of capacity by 2030.

How Indian wind policy reforms will accelerate growth:

In 2022, India awarded 2.25 GW² of standalone and 2.45 GW of hybrid wind capacity through auctions. It commissioned a total of 1.8 GW of onshore wind power capacity.³ Recent policy reforms are likely to further boost demand for wind power and accelerate capacity additions over the coming years.

Note:

1. https://eparlib.nic.in/bitstream/123456789/931974/1/17_Energy_27.pdf
2. As per IEA’s Advanced Pledges Scenario
3. <https://powermin.gov.in/en/content/power-sectorglance-all-India>

Through its Electricity (Late Payment Surcharge and Related Matters) Rules, 2022, the government aims to curb the issue of delayed payments hampering the financial health of green power generators. It has also laid down the Electricity (Promoting Renewable Energy through Green Energy open Access) Rules, 2022 to support the uptake of green power and the Draft National Repowering Policy for Wind Power Projects, 2022 to tap opportunities for repowering.

OUTLOOK GOING AHEAD:

Creating a market for onshore wind

The Ministry of New and Renewable Energy (MNRE) has outlined a wind-specific renewable purchase obligation (RPO) trajectory to 2030, with an annual target of an 8 GW onshore wind tender every year between 2023 and 2030 based on a single-stage two-envelope bid system.

The plan is to harness the massive wind energy potential of eight windy states: Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, Tamil Nadu and Telangana To support the development of power evacuation and transmission infrastructure, the Central Electricity Authority (CEA) has published its transmission planning report for the integration of renewable energy, including 58 GW of wind energy – of which 10 GW is offshore Tamil Nadu and Gujarat – to the Inter-State- Transmission-System (ISTS) by 2030. However, the planned infrastructure may not be sufficient to accommodate MNRE’s target of 8 GW per year.

Creating a market for offshore wind:

In 2022, the MNRE published a strategy paper outlining a tender trajectory of 37GW of offshore wind by 2030. Together with the Danish Energy Agency, it also published a conceptual plan with a pipeline of 15 offshore wind projects. Additionally, the Center of Excellence on Offshore Wind and Renewable Energy, jointly set up by the Danish government and the MNRE, published reports on maritime spatial planning that build on earlier FOWIND and FOWPI projects Creating a market for offshore wind in India demands a strong partnership between the government, development finance institutions, commercial banks, the offshore wind industry, and local communities. Developing India as an attractive offshore wind market further requires the introduction of appropriate standards, such as environmental impact assessment (EIA) guidelines, and support for energy offtake while ensuring the competitiveness of offshore wind.

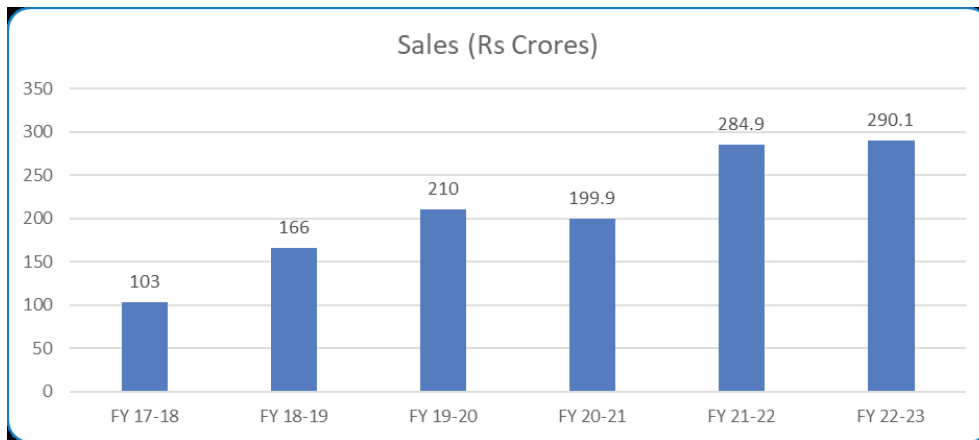


Micro, small and medium enterprises (MSMEs) play a pivotal role in the Indian wind manufacturing sector. Going forward, the government should consider targeted production-linked incentives for companies currently engaged in the onshore wind sector, and for those wishing to get involved in offshore wind manufacturing. India is in a unique position to leverage growing export and international service opportunities in the APAC and European regions. A strategic supply chain impetus is pivotal to scaling up India’s wind manufacturing sector.

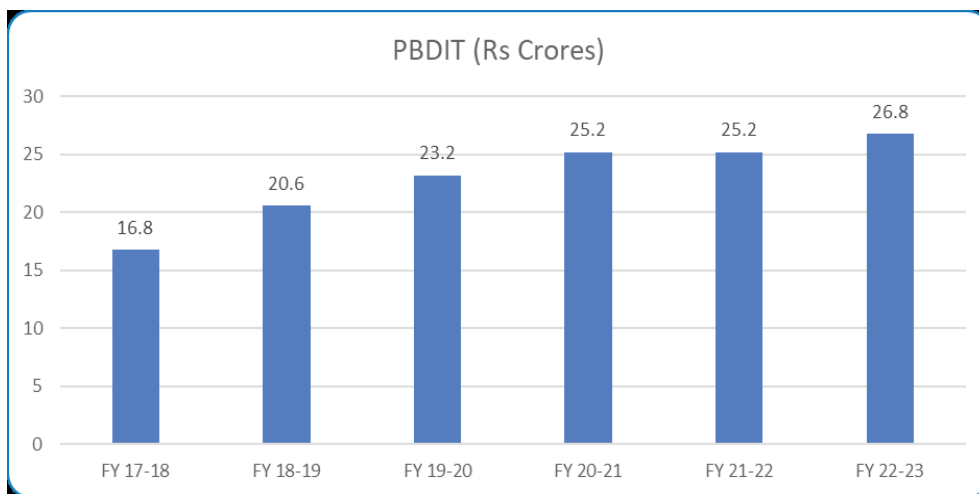
COMPANY & PERFORMANCE OVERVIEW:

Your Company mainly caters to the domestic & overseas OEM buyers in Wind segment such as Vestas Wind Technology India Pvt. Ltd., GE India Industrial Pvt. Ltd, Siemens Gamesa Renewable Power Pvt. Ltd., Senvion Wind Technology Pvt Ltd and contributes around 70% of revenues. Company also serves to Top wind gear box manufacturers like ZF Wind & Flender Drives and contributes 15% of revenues. Balance of the 15% revenue is coming from non-Wind customers like Terex India Pvt. Ltd., Ferromatic Milacron, and Pump Industry customers.

In the financial year 2022-2023, your Company recorded total income of Rs.290.15 Crores as against Rs.284.92 Crores in the previous year and thereby recorded a marginal increase of 1.84% in the net sale. Sales growth was impacted due to 41% drop in our largest customer M/S Vestas revenue because of commodity crisis and global inflation issues. However, increase in M/S Siemens Gamesa revenue by 130% and new Customer addition like M/S Senvion has helped in bridging above revenue drop.



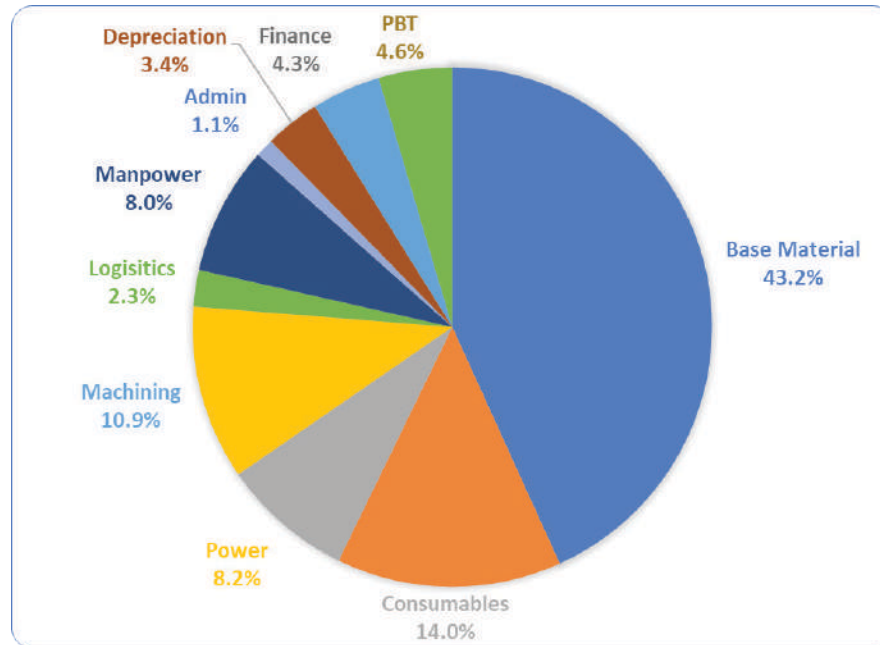
For FY 2023-24, Vestas & Siemens Gamesa revenues are forecasted to be stable and growth is expected from GE & Senvion. There is also potential to add new customers like Nordex, Envision & Renew Power. Considering the present order book and potential opportunities, revenue growth during next two years is estimated at 25%.



During last two years, PBDIT margins were impacted due to continuous rise in commodity prices and lag in reflecting with customer prices. During the year, absolute PBDIT stands at Rs 26.76 Crores as against Rs 25.21 Crores last year and achieved a growth of 6.15%. PBDIT margins have marginally improved to 9.22% compared to last year’s 8.85%. During last two quarters raw material prices are stabilizing and shown decreasing trend. Sales prices are also now factored with present input costs and accordingly 4th quarter PBDIT margins have improved to 13.39%.

Considering the present situation of stable raw material prices with marginal downtrend and customer prices factored with all input cost increase, PBDIT margins are estimated to revert back to 12% plus levels.

Following is the estimated cost structure for FY 2023-24



Present operating model is to supply the castings in fully machined condition with 100% out-sourcing of machining activity. Some of the customers buy in un-machined condition as well. Machining outsourcing spend is around 15% for wind castings and weighted average spend will be around 11%. There is an opportunity to strengthen the margins by establishing In-House machining facility.

Power cost contributes around 8.2% of our costs. Present purchase cost of electricity from MSEB is around Rs 10/Unit. With establishment of captive renewable power plants will facilitate in optimizing the costs. Renewables offer more than Rs 5/Unit savings after setting off operating expenses.

During next 2 to 3 years , apart from increasing the foundry capacity from 30,000 MT to 45,000 MT, focus will also be to establish the machining facilities and captive renewable power plants to strengthen the margins.

OPPORTUNITIES AND THREATS:

a) Opportunities

- **Seizing supply chain opportunities**

Recent increases in commodity prices, coupled with the emerging impacts of shrinking supply chains all over the world, are pointing to a huge opportunity for India in the global wind energy supply chain. The unprecedented twin challenges of ensuring secure and affordable energy supplies and meeting climate targets have propelled wind energy into ever faster growth and opportunities.

- **Offshore Wind:**

In 2022, GWEC India convened a supply chain stakeholder roundtable, which outlined high-impact opportunities for catalysing wind power generation and manufacturing in the state of Tamil Nadu. GWEC also presented a similar scenario to the government of Gujarat, alongside recommendations on repowering, offshore wind, robust monitoring of utility-scale wind farms and transmission projects to various central government agencies. Floating offshore wind is likely to rapidly bring down costs, creating the opportunity to open up more markets. The industry can also use existing maritime and petrochemical expertise to transition into floating offshore wind. Floating wind will need to move to a larger scale, and the first commercial project will be key to setting a model that enables future floating offshore wind project deployment.

b) Threats

- Global wind installations are mainly driven by China & USA. Global economic uncertainty is still around the corner with Russia-Ukraine conflict yet to be resolved and any head winds in these regions may impact the overall demand.
- Even though commodity prices have stabilised and showing downward trend, but the absolute number much higher than historical values and global inflation and interest rates are still at higher levels and may impact faster recovery.

RISKS AND CONCERNS:

In accordance with the SEBI Listing Regulations, the Board of Directors of the Company is responsible for framing, implementing and monitoring the risk management plans of the Company. The Company does from time to time identify risks associated, assess its impact and take appropriate corrective steps to minimize the risks that may threaten the existence of the Company.

Annual risk assessment exercise is conducted in the line with the framework, existing risks, their mitigation plans are evaluated and new risks, if any, are identified. The Audit Committee has additional oversight over financial risks and controls. It also reviewed the mitigating factor and actions initiated by the management to minimize the impact.

Risk Mitigation

To mitigate various risks significant to its business, your Company took several strategic initiatives during the year, such as:

- To mitigate risk of limited customer base the Company has developed castings for new customers like Servion India Pvt. Ltd., GE India etc.
- To mitigate exchange fluctuation risk Company has availed Term Loan in Foreign Currency (FCTL) and also entered into currency swap arrangement which will ensure natural hedge against export.
- Focused efforts are taken to develop alternative sources for its critical raw material supplies i.e. Pig Iron and CRCA Scrap etc.

These initiatives have helped minimize the impact of uncertainties and helped the Company to achieve its planned business objectives during the year.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE:

The Company works only in one segment i.e. manufacturing of SG & CI Castings.

IN ACCORDANCE WITH THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS 2018) (AMENDMENT) REGULATIONS, 2018, THE COMPANY IS REQUIRED TO GIVE DETAILS OF SIGNIFICANT CHANGES (CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS:

| Sr. No. | Key Financial Ratios | 2023 | 2022 | Remark |
|---------|-----------------------------|-------|------|-------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Debtors Turnover | 10.64 | 9.27 | No material change |
| 2 | Inventory Turnover | 4.68 | 4.99 | No material change |
| 3 | Current Ratio | 1.01 | 0.96 | No material change |
| 4 | Debt Equity Ratio | 2.38 | 2.41 | No material change |
| 5 | Interest Coverage Ratio | 1.06 | 1.30 | No material change |
| 6 | Operating Profit Margin (%) | 6.29 | 6.25 | No material change |
| 7 | Net Profit Margin (%) | 0.30 | 0.50 | Due to unprecedented increase in input prices and lag in corresponding increase in sales price profitability ratios have come down. |
| 8 | Return on Net Worth (%) | 2.50 | 4.25 | No material change (as per Note 40) |

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES, INCLUDING NUMBER OF PEOPLE EMPLOYED:

The Company believes and recognizes that its employees are important resource in its growth and to give competitive advantage in the present business scenario. Ensuring business operations, employee safety and welfare became the foremost concerns for the Company.

During the year under review, the company ensured to keep the safety and the wellbeing of its employees as its topmost priorities. The Company has total 183 employees as on March 31, 2023. The company continued with its focus on an efficiently recruiting employees with the right talent and groom them to build a strong leadership pipeline. The diversity and inclusiveness in the workforce remained a strong fundamental to the company, in line with it the company continued to bring in more women employees.

The Company has well-thought out and employee-friendly HR policies which it has led to a positive working relationship with its employees. The Company has not had any work stoppages or cessations owing to labour disputes. The Company continues to lay great emphasis on Safety and Security. To ensure adherence to safety protocols, the company follows stringent procedures to safeguard and protect its workforce. The company also keeps prescribing policies and procedures while imparting training to its workforce. It has a system in place that promotes a positive work environment free of all forms of harassment.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place a well-framed internal control system that authorizes, records, and reports transactions to safeguard assets and protect against loss from unauthorized use or disposition. The internal controls ensure the reliability of data and financial information to maintain accountability of assets. These internal controls are supplemented by extensive internal audits, management review, and documented policies, guidelines, and procedures.

DISCLOSURE OF ACCOUNTING TREATMENT

For the first time Indian Accounting Standard was applicable from the F.Y.2021-22 due to migration from BSE-SME Exchange to the Mian Board of BSE & NSE. The Company has adopted and has followed all the treatments in the Financial Statements as per the prescribed Indian Accounting Standards.

Note:

For sake of brevity the items covered in Board's Report are not repeated in the Management Discussion and Analysis Report.

Cautionary Statement:

Certain Statements in the Management Discussion and Analysis describing the company's objectives, projections, estimates and expectation or predictions may be forward looking statements within the meaning of applicable laws and regulations. It cannot be guaranteed that these assumptions and expectations are accurate or will be realized. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/ supply and price conditions in the domestic markets, changes in the Government Regulations, tax laws and other statues and incidental factors.

Annexure VI**Report on Corporate Governance****[Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]****1. CORPORATE GOVERNANCE****1.1 Company's philosophy on Corporate Governance**

At Synergy Green Industries Limited (SGIL), Corporate Governance has been an integral part of the way we have been doing our business since inception. We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. Corporate Governance, as an integral principle, is adhered by the Board of Directors and Management of your Company ensuring fairness, accountability, transparency in all dealings and functioning of the management and the Board. The Company strives for an enduring relationship with the stakeholders and protection of their interests.

The Company places great emphasis on values such as empowerment, integrity and safety of its employees and communities surrounding our plants, transparency in decision making process, fair and ethical dealings with all, pollution free clean environment and last but not the least, accountability to all the stakeholders. These practices, being followed since the inception, have contributed to the Company's sustained growth.

This report contains the details of implementation of the Corporate Governance by the Company which is in line with the requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Regulations').

1.2 Governance Structure

The Company's governance structure follows the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibility so as to meet the expectation of all the stakeholders. In line with these principles, the Company has formed three tiers of Corporate Governance structure, viz.:

- (i) **The Board of Directors** - The primary role of the Board is to protect the interest and enhance value for all the stakeholders. It ensures overall strategic supervision and control by setting up the goals and targets, policies, reporting mechanism and accountability and decision making process to be followed.
- (ii) **Committees of Directors** –The different Committees namely, Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee are constituted to focus on financial reporting, audit and internal controls, compliance issues, appointment and remuneration of Directors and Senior Management Employees, implementation and monitoring of CSR activities and the risk management framework.
- (iii) **Executive Management** – The entire business including the support services are managed with specifically defined responsibilities and authorities at different levels.

2. BOARD OF DIRECTORS**2.1 Composition**

The Company has a very balanced and diverse Board of Directors, which comprises of experienced, competent and highly renowned persons from the fields of manufacturing, finance, taxation, economics, law, governance, etc. The Board of Directors provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholders' value. The Board represents an optimal mix of professionalism, knowledge and experience and has been vested with requisite powers, authorities and duties. The Board plays an imperative role in the management, strategic directions and performance of the Company.

The Directors take active part at the Board and Committee Meetings by providing valuable guidance to the management on various aspects of business, policy direction, governance, compliance, etc. and plays critical role on strategic issues, which enhances the transparency and add value in the decision making process of the Company.

The composition of the Board also complies with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March, 2023, the total Board strength comprised of the following:

| | |
|-----------------------------------------|-----------|
| Executive Directors | 3 |
| Non-Executive Non Independent Directors | 2 |
| Non-Executive Independent Directors | 5 |
| Total | 10 |

The Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office as per their terms of appointment.

2.2 Meetings, agenda and proceedings etc. of the Board of Directors:

Meetings:

The Board generally meets 4 times during a financial year. Additional meetings are held when necessary. The Directors are also given an option of attending the Board meetings through video conferencing, whenever they request for the same. During the financial year under review, the Board of Directors duly met 4 (Four) times on 20th May, 2022, 10th August, 2022, 12th November, 2022 and 14th February, 2023. The previous Annual General Meeting ('AGM') of the Company was held on 29th September, 2022. The attendance record of the Directors at the Board Meetings and at last AGM is as under:-

| Sr. No | Name of Director | Category | Attendance at meetings | | As on 31 st March, 2023 | | | List of Directorship held in other listed companies and category of Directorship | No. of Shares held by Non executive directors |
|--------|---------------------------|----------------------------------------|------------------------|-----|------------------------------------------------------|-----------------------------------------------------------------|---------------|---------------------------------------------------------------------------------------|-----------------------------------------------|
| | | | Board | AGM | No. of Directorships in other Companies ¹ | No. of Committee positions held in other Companies ² | | | |
| | | | | | | Member-ship | Chairman-ship | | |
| 1 | Mr. Sachin R. Shirgaokar | Chairman & Managing Director | 4 | Yes | 3 | 2 | - | The Ugar Sugar Works Ltd.-Non-Executive Director | - |
| 2 | Mr. Shishir S. Shirgaokar | Non-Executive Non-Independent Director | 4 | Yes | 9 | 2 | 1 | The Ugar Sugar Works Ltd.-Chairman KPT Indu. Ltd.-Independent Director | 185964 |
| 3. | Mr. Chandan S. Shirgaokar | Non-Executive Non-Independent Director | 3 | Yes | 5 | - | - | The Ugar Sugar Works Ltd.- Executive Director | 7902 |
| 4. | Mr. Sohan S. Shirgaokar | Joint Managing Director | 3 | Yes | 3 | 2 | - | The Ugar Sugar Works Ltd.- Non-Executive Director | - |
| 5. | Mr. V. S. Reddy | Executive Director | 4 | Yes | - | - | - | - | - |
| 6. | Mrs. Prabha P. Kulkarni | Independent Director | 4 | Yes | 3 | - | - | KPT Indu. Ltd.-Executive Director | - |
| 7. | Mr. Dattaram P. Kamat | Independent Director | 4 | Yes | 1 | - | - | - | 2000 |
| 8. | Mr. Mallappa R. Desai | Independent Director | 4 | Yes | 4 | 3 | 1 | The Ugar Sugar Works Ltd.-Independent Director Sri Chamundeshwari Sugar Ltd.-Director | 1000 |
| 9. | Mr. Meyyappan Shanmugam | Independent Director | 1 | Yes | 6 | - | - | - | - |
| 10. | Mr. Subhash G. Kutte | Independent Director | 4 | Yes | 5 | 8 | 3 | Centrum Capital Ltd.-Independent Director Menon Pistons Ltd.-Independent Director | - |

Notes:

1. The other directorships held by Directors as mentioned above do not include Alternate directorships and directorships in foreign companies and Section 8 companies.
2. Membership/Chairmanship of Board Committees include only in Audit Committee and Stakeholders' Relationship Committee as required under Regulation 26(1)(b) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.
3. None of the Independent Directors, serve as an Independent Director in more than 7 (Seven) listed companies nor is a member in more than 10 (Ten) committees or act as Chairman of more than 5 (Five) committees.
4. Except sitting fees, no other remuneration is paid to the Non-Executive Directors. Leave of absence is granted to the Directors absent for meetings.
5. Intern se Relationship between Directors:
Mr. Sohan S. Shirgaokar (JMD) is the brother of Mr. Chandan S. Shirgaokar (NED).
6. Non-Executive Directors holds equity shares in the Company as follows: (Shishir Suresh Shirgaokar holds 200866 no. of Equity shares and Chandan Sanjeev Shirgaokar hold 7902)

2.3 Skills/Expertise/Competence of the Board of Directors:

The Nomination and Remuneration Committee (NRC) recommends appointment of a person possessing requisite skill sets, to be appointed as a Director of the Company. Additionally, the NRC also recommends such appointment if the person possesses knowledge and in-depth experience of the business in which the Company operates or has experience in the areas of banking, finance, marketing and other related aspects of the Company's business. Only those persons who possess the relevant industry skill or having specialization in a relevant area are recommended for appointment as a Director of the Company.

| Sr. No. | Name of Director | Skill, Expertise and Competence |
|---------|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | Mr. Sachin R. Shirgaokar | A Mechanical Engineering from the College of Engineering, Bijapur, Karnataka University. This was followed by a Masters Degree in Business Administration from the University of New Hampshire, USA in 1990. He has over 33 years of work experience. He has worked for R. E. Sanderson & Associates, New York as a Junior Consultant. He is currently Managing Director of S. B. Reshellers Pvt. Ltd., and Non-Executive Director of The Ugar Sugar Works Limited as and also with other group companies as a Director. He is presently the Chairman of the Company. |
| 2. | Mr. Shishir S. Shirgaokar | He has a vast experience in the sugar industry. He has worked as Whole time Director of the Company from 2005 to 2008, as an Executive Director from 2008 to 2010, as a Managing Director from 2010 to 2015, as an Executive Vice Chairman in 2015-16 and presently he continues as a Non-Executive Director & Chairman of the Company. |
| 3. | Mr. Chandan S. Shirgaokar | He has vast experience in the sugar industry from last number of years, and he has also acquired technically processing proficiency related to manufacturing activities. He is currently Managing Director of the Ugar Sugar Works Ltd. He is representing All Indian Distillery Association as a President. |
| 4. | Mr. Sohan S. Shirgaokar | A Commerce graduate from the Chintamanrao Commerce College, Sangli (Shivaji University Kolhapur), has completed his M.B.A in Finance & Marketing from the Institute of Management Development & Research Sangli, a unit of the Deccan Education Society, Pune. He is presently the Joint Managing Director of S. B. Reshellers Pvt. Ltd., and Non executive Director of The Ugar Sugar Works Ltd. He is a Joint Managing Director of the Company. |
| 5. | Mr. V. S. Reddy | He holds a degree of Master in Technology from NIFFT, Ranchi, and a Bachelor in Mechanical Engineering from SKD University Andhra Pradesh. He did Six Sigma Black Belt from GE Power System. He started his carrier in 1995. He has about 29 years of experience in the Industry He handled various responsibility as product development, operation management, green field foundry project design and execution. He also worked with various companies like Simplex Casting Limited, U.P Steels, Larsen & Toubro Limited. He is working as an Executive Director of the Company. |

| | | |
|-----|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6. | Mrs. Prabha P. Kulkarni | She holds a degree of Bachelor of Engineering in Mechanical branch from Shivaji University. She has an overall experience of 56 years. She was Managing Director of Kulkarni Engg. Associates Limited. Presently she is working as President of Trimurti Engg. Tools Private Limited. She also an Executive Director with KPT Industries Limited. She has been continued as Independent Director for second term by passing special resolution through postal ballot on 23.03.2023. |
| 7. | Mr. Dattaram P. Kamat | He holds a degree of Bachelor of Engineering in Mechanical branch from Karnatak University, Dharwar. He has an overall experience of 44 years. He is an Executive Director of Kolhapur Airochem Pvt. Ltd. He has been continued as Independent Director for second term by passing special resolution through postal ballot on 23.03.2023. |
| 8. | Dr. M. R. Desai | He is a qualified doctor. He has rich experience in the working of sugar industry. He was a chairman of National Federation for Co-operative Sugar Industries. He has been continued as Independent Director for second term by passing special resolution through postal ballot on 23.03.2023. |
| 9. | Mr. Meyyappan Shanmugam | He has overall experience of 35 years. He is Master of Engineering. He was originally appointed on the Board as Additional Non-Executive Independent Director w.e.f. May 18, 2018 and regularized as Non-Executive Independent Directors w.e.f May 22, 2018 |
| 10. | Mr. Subhash G. Kutte | He holds a degree of Bachelor of Commerce and also he is Intermediate C.A. He is having total experience of 43 years in banking sector. He had started his carrier in banking with Tasgaon Urban Co-op. Bank as Manager from December 1977. Then he Joined Ratnakar Bank (presently known as RBL Bank) as Probationary Officer in June 1980 and worked in Sangli Branch. He kept on getting various promotions with periodical intervals in the Ratnakar Bank Ltd. such as he was appointed as Managing Director & Chief Executive Officer in the Ratnakar Bank Ltd. from 30 th April 2008 to 30 th June 2010. Thereafter, he was appointed as Chairman from 1 st July 2010 to 30 th June 2014. He has worked as senior advisor from 1 st July 2014 till 30 th June 2018. |

2.4 Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under Schedule IV of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 14th February, 2023 without the presence of Non-Independent Directors and members of the management to consider the following:

- i. performance of Non-Independent Directors and the Board as a whole;
- ii. performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors;
- iii. assessing the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors expressed satisfaction on the performance of Non-Independent Directors and the Board as a whole. The Independent Directors were also satisfied with the quality, quantity and timeliness of flow of information between the Company management and the Board.

2.5 Familiarization programme for Independent Directors

The Independent Directors have been familiarized with the Company, their roles and responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company etc. During the financial year ended 31st March, 2023, Independent Directors were taken through various aspect of the Company's business and operations. The details of familiarization programmes imparted to the Independent Directors during financial year 2022-23 are placed on the website of the Company at <https://synergygreenind.com/sites/default/files/2.Familization%20Programmes.pdf>

2.6 Key Board qualifications, expertise and attributes

The Company's Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensuring that the Company's Board is in compliance with the highest standards of corporate governance.

The table below summarizes the key qualification, skills, and attributes which are taken into consideration while nominating candidates to serve on the Board:

| | |
|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Gender, ethics, national, or other diversity | Representation of gender, ethics, geographic, cultural, or other perspective that expand the Board's understanding of the needs and viewpoints of our customers, partners, employees, governments, and other stakeholders worldwide. |
| Financial | Leadership in management of finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting process, or experience in actively supervising accountant, auditor or person performing financial functions. |
| Global Business | Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, regulatory frameworks, and board perspective on global market opportunities. |
| Leadership | Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Strengths in developing talent, planning succession, and driving change and long-term growth. |
| Technology | Significant background in technology, resulting in knowledge of how to anticipate technological trends, generates disruptive innovation and extends or create new business model. |
| Board Services and Governance | Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices. |
| Sales and Marketing | Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance enterprise reputation. |

Details of the specific areas of focus or expertise of individual Board members are given in below table:

| Directors | Financial | Diversity* | Global Business | Leadership | Technology | Board Service and Governance | Sales and Marketing |
|------------------------------------------------------------|-----------|------------|-----------------|------------|------------|------------------------------|---------------------|
| Mr. Sachin R. Shirgaokar (Chairman & Managing Director) | √ | √ | √ | √ | √ | √ | √ |
| Mr. Shishir S. Shirgaokar (Non-Executive Director) | √ | √ | √ | √ | | √ | √ |
| Mr. Chandan S. Shirgaokar (Non-Executive Director) | √ | √ | √ | √ | √ | √ | √ |
| Mr. Sohan S. Shirgaokar (Joint Managing Director) | √ | √ | √ | √ | √ | √ | √ |
| Mr. V. S. Reddy (Executive Director) | √ | √ | √ | √ | √ | √ | √ |
| Mrs. Prabha P. Kulkarni (Independent Director) | √ | √ | √ | √ | √ | √ | √ |
| Mr. Dattaram P. Kamat (Independent Director) | √ | √ | √ | √ | | √ | √ |
| Mr. Mallappa R. Desai (Independent Director) | √ | √ | √ | √ | | √ | √ |
| Mr. Meyyappan Shanmugam (Independent Director) | √ | √ | √ | √ | √ | √ | √ |
| Mr. Subhash G. Kutte (Independent Director) | √ | √ | | √ | | √ | √ |

* Gender, ethnicity, nationality, and other

2.7 Agenda:

All the meetings are conducted as per well designed and structured agenda complying with the provisions of Secretarial Standard-1 on "Meetings of the Board of Directors", issued by the Institute of Company Secretaries of India (ICSI). All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated in the meeting) to enable the Board to take informed decisions. Agenda also includes minutes of the previous Board and Committees' meetings for the information of the Board. Agenda papers are circulated seven days prior to the Board Meeting. In case of any business exigencies, meetings are called and convened at shorter notice or the resolutions are passed by circulation and later placed in the subsequent Board Meeting.

Compliance Framework: The Company has a robust and effective framework for monitoring compliances with applicable laws within the organization and to provide updates to senior management and the Board on a periodic basis. The Audit Committee and the Board periodically review the status of the compliances with the applicable laws.

2.8 Confirmation of Board:

The Board of Directors of the Company confirms that the Independent Directors of the Company fulfil the conditions specified in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the Management.

Further, all the Independent Directors of the Company have affirmed compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, regarding enrollment in the Data Bank for Independent Directors as required under Notification dated 22nd October, 2019 issued by the Ministry of Corporate Affairs in this regard.

2.9 Reason of resignation of Independent Director:

None of the Independent Director of the Company resigned during the financial year ended 31st March, 2023 before completing their term of appointment.

2.10 Code of Conduct:

The Board of Directors has laid down a Code of Conduct for Board of Directors (including independent directors) and senior management ('the Code') for all the Board members and all the employees in the management grade of the Company. The Code covers Company's commitment to honest and ethical personal conduct, fair competition, corporate social responsibility, sustainable environment, health and safety, transparency and compliance of laws and regulations etc. All the Board members and senior management personnel have confirmed compliance with the code. A declaration by Mr. Sachin R. Shirgaokar, Chairman & Managing Director, of the Company affirming the compliance of the same in respect of the financial year ended 31st March, 2023 by the members of the Board and Senior Management Personnel, as applicable to them, is also annexed to this Report.

2.11 Prevention of Insider Trading Code:

As per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. All the directors, designated persons and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window was closed during the time of declaration of results and occurrence of any material events as per the applicable regulations.

3. AUDIT COMMITTEE

Pursuant to the provisions of Section 177 of Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has duly constituted the Audit Committee. Majority of the members of the Committee are Independent Directors including the Chairman of the Committee. They possess sound knowledge on accounts, audit, finance, taxation, internal controls, etc.

The Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

The Audit Committee of the Company reviews the financial statements to be submitted with the Board of Directors with respect to auditing and accounting matters, to review reports of the Internal and Cost Auditors. It also supervises the

Company's internal control and financial reporting process. In addition, the powers and role of the Audit Committee are as laid down under Regulation 18 and Schedule II Part C of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

During the year under review, the Audit Committee met 4 (four) times on 20th May, 2022, 10th August, 2022, 12th November, 2022 and 14th February, 2023 and the gap between two committee meetings did not exceed one hundred and twenty days.

3.1 Composition and attendance:

| Sr. No. | Name of the Member | Status | No. of meetings | |
|---------|---------------------------|----------|-----------------|----------|
| | | | Held | Attended |
| 1. | Mr. Subhash G. Kutte | Chairman | 4 | 4 |
| 2. | Mrs. Prabha P. Kulkarni | Member | 4 | 4 |
| 3. | Mr. Dattaram P. Kamat | Member | 4 | 4 |
| 4. | Mr. Mallappa R. Desai | Member | 4 | 4 |
| 5. | Mr. Chandan S. Shirgaokar | Member | 4 | 3 |

3.2 Terms of reference:

The terms of reference of the Audit Committee are as per the guidelines set out in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Section 177 of the Companies Act, 2013. These broadly includes (i) develop an annual plan for Committee (ii) review of financial reporting processes, (iii) review of risk management, internal financial controls and governance processes, (iv) discussions on quarterly, half yearly and annual financial statements, (v) interaction with statutory, internal and cost auditors, (vi) recommendation for appointment, remuneration and terms of appointment of auditors and (vii) risk management framework concerning the critical operations of the Company.

In addition to the above, the Audit Committee also reviews the following:

- Matter to be included in the Director's Responsibility Statement.
- Changes, if any, in the accounting policies.
- Major accounting estimates and significant adjustments in financial statement.
- Compliance with listing and other legal requirements concerning financial statements.
- Disclosures in financial statements including related party transactions.
- Management's Discussions and Analysis of Company's operations.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Periodical review of Internal Audit Reports.
- Findings of any special investigations carried out by the Internal Auditors.
- Findings of Statutory Auditors to the management on internal control weakness, if any.
- Major non routine transactions recorded in the financial statements involving exercise of judgment by the management.
- Recommend to the Board the appointment, re-appointment and, if required the replacement or removal of statutory auditors considering their independence and effectiveness and recommend the audit fees.
- Review the functioning of the Vigil mechanism.

4. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has duly constituted the Nomination and Remuneration Committee. The Nomination and Remuneration Committee, *inter alia*, recommends the appointment / reappointment of executive directors and senior management personnel of the Company and remuneration payable to them.

The Company Secretary and Compliance Officer of the Company acts as a secretary to the Committee.

During the year under review, the Nomination and Remuneration Committee met 1 (one) time on 14th February, 2023.

4.1 Composition and attendance:

| Sr. No. | Name of the Member | Status | No. of meetings | |
|---------|-------------------------|----------|-----------------|----------|
| | | | Held | Attended |
| 1. | Mr. Dattaram P. Kamat | Chairman | 1 | 1 |
| 2. | Mrs. Prabha P. Kulkarni | Member | 1 | 1 |
| 3. | Mr. Subhash G. Kutte | Member | 1 | 1 |

4.2 Terms of reference:

The Committee is empowered to–

- Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors.
- Identify and access potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnel.
- Formulate a policy relating to remuneration of the Directors and the Senior Management Personnel of the Company. The Remuneration Policy is available on the website of the Company.
- Determine terms and conditions for appointment of Independent Directors. The same is also available on the website of the Company at:

<https://synergygreenind.com/sites/default/files/3.Terms%20and%20Conditions%20for%20appointment%20of%20Independent%20Director.pdf>

4.3 Performance evaluation criteria of Independent Directors:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has evaluated the performance of each Independent Director.

The evaluation framework for assessing the performance of Independent Directors comprises of the following key areas:

- Attendance at Board and Committee Meetings;
- Quality of contribution to Board deliberations;
- Contribution to the development of strategies and Risk Assessment and Management and
- Overall interaction with the other members of the Board.

5. STAKEHOLDER'S RELATIONSHIP COMMITTEE

Pursuant to the provisions of Section 178 of Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has duly constituted the Stakeholders' Relationship Committee. The Committee is empowered to oversee the redressal of investors' complaints pertaining to Share transfers, non-receipt of annual reports, dividend payments, issue of duplicate certificates, transfer/transmission /demat / remat of shares and other miscellaneous complaints. This Committee is responsible for the satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services.

During the year under review, the Stakeholders' Relationship Committee met 1 (one) time on 15th February, 2023.

5.1 Composition and attendance:

| Sr. No. | Name of the Member | Status | No. of meetings | |
|---------|---------------------------|----------|-----------------|----------|
| | | | Held | Attended |
| 1. | Mrs. Prabha P. Kulkarni | Chairman | 1 | 1 |
| 2. | Mr. Dattaram P. Kamat | Member | 1 | 1 |
| 3. | Mr. Shishir S. Shirgaokar | Member | 1 | 1 |

The Company Secretary and Compliance Officer of the Company acts as a secretary to the Committee.

Status of investors' complaints handled by the Company and its Registrar & Share Transfer Agents during the year 2022-23 are as under:

| | |
|-----------------------------------------------------|------------|
| Opening balance at the beginning of the year | Nil |
| Received during the year | Nil |
| Disposed during the year | Nil |
| Closing balance at the end of the year | Nil |

6. CORPORATE SOCIAL RESPONSIBILITY(CSR)COMMITTEE:

The Corporate Social Responsibility Committee is not required to be formed as per the provision of Section 135(9) of the Companies Act 2013 inserted vide the Companies (Amendment) Act, 2020 and made effective from September 28, 2020.

The functions of CSR Committee are monitored by the Board of Directors of the Company.

7. RISK MANAGEMENT COMMITTEE:

During the financial year ended 2023, the Company was not required to constitute Risk Management Committee under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

8. REMUNERATION OF DIRECTORS

8.1 The Non-Executive Directors had no pecuniary relationship or transactions with the Company during the financial year ended 31st March, 2023.

8.2 Non-Executive Directors did not draw any remuneration from the Company. Sitting fees to Non-executive and Independent Directors is being paid at the rate of Rs.5,000 for each meeting of the Board and Committees attended by them.

8.3 Details of remuneration/sitting fees paid during the financial year ended 31st March, 2023 are as follows:

(Rs. in Lakhs)

| Name of Director | Salary | Contribution to Provident fund | Other Perquisites | Sitting fees | Total |
|---------------------------|--------|--------------------------------|-------------------|--------------|--------------|
| Mr. Sachin R. Shirgaokar | 86.79 | - | - | - | 86.79 |
| Mr. Shishir S. Shirgaokar | - | - | - | 0.25 | 0.25 |
| Mr. Chandan S. Shirgaokar | - | - | - | 0.30 | 0.30 |
| Mr. Sohan S. Shirgaokar | 86.79 | - | - | - | 86.79 |
| Mr. V. S. Reddy | 76.23 | 4.61 | 0.84 | - | 81.68 |
| Mrs. Prabha P. Kulkarni | - | - | - | 0.50 | 0.50 |
| Mr. Dattaram P. Kamat | - | - | - | 0.50 | 0.50 |
| Dr. M. R. Desai | - | - | - | 0.40 | 0.40 |
| Mr. Meyyappan Shanmugam | - | - | - | 0.05 | 0.05 |
| Mr. Subhash G. Kutte | - | - | - | 0.45 | 0.45 |

Note: Company did not pay any commission or consultancy charges to any of the Non-Executive Directors of the Company.

9. VIGIL MECHANISM / WHISTLE BLOWER POLICY

With the rapid expansion of business, various risks associated with the business have also increased considerably. Some such risks identified are the risk of fraud, misconduct and unethical behaviour. To ensure fraud-free work and ethical environment, the Company has laid down a Vigil Mechanism/Whistle Blower Policy, by which the Company provides a platform to all the Directors and employees to report any suspected or confirmed incident of fraud, misconduct, unethical behaviour, etc. through any of the following reporting protocols:

- E-mail : whistleblower@synergygreenind.com
- Phone No. : 0231-2658375
- Written Communication to : 392 E Ward, Shahupuri, Kolhapur – 416001, Maharashtra.

The mechanism also provides for adequate safeguards against victimization of the person who avails the mechanism and direct access to the Chairman of the Audit Committee is also available in exceptional cases. Vigil Mechanism/Whistle Blower Policy is also available on the website of the Company at:

<https://synergygreenind.com/investors/vigil-mechanism>

9.1 OBJECTIVES:

- To protect the brand reputation and assets of the Company from loss or damage, resulting from suspected or confirmed incidents of fraud / misconduct.
- To provide guidance to the Directors and employees on reporting any suspicious activity and handling critical information and evidence.
- To provide healthy and fraud-free work culture.

9.2 WORKING:

The Audit committee is responsible for reviewing and working of Vigil Mechanism which includes following matters:

- Implementation of the policy and spreading awareness amongst employees;
- Review all reported cases of suspected fraud, misconduct, unethical behaviour;
- Order investigation of any case either through internal audit department or through external investigating agencies or experts;
- Recommend to the management for taking appropriate actions such as disciplinary action, termination of service, changes in policies & procedure and review of internal control systems;
- Annual review of the policy.

10. INTERNAL COMPLAINT COMMITTEE

In accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has framed a policy for prevention of sexual harassment at workplace and adopted the same. The existing policy has been amended by incorporating the rules and procedures as mandated in the notification issued by Ministry of Woman & Child Development on 9th December, 2013. The objective of the policy is to provide its women employees, a workplace free from harassment/ discrimination and every employee is treated with dignity and respect.

The objective of this policy is to provide its woman employees, a workplace free from harassment/ discrimination and every employee is treated with dignity and respect.

10.1 Composition:

| Name of the Members | Designation |
|-----------------------|-------------------------------------------|
| Miss. Divya Patil | Presiding Officer & Engineer – Technology |
| Mrs. Rima Patil | Member & Jr. Officer – HR & Admin |
| Miss. Yogita Yedurkar | Member & Engineer – QA |
| Mr. Sanjay Patil | Member & Dy. Manager – HR |
| Mr. Ram Birangaddi | Member & Asst. Sr. Manager – Accounts |

No complaint was received during the financial year ended 31st March, 2023, nor any complaint was pending at the beginning and end of the financial year.

11. GENERAL BODY MEETINGS
11.1 Annual General Meetings:

The Company convenes Annual General Meeting within six months from the close of the Financial Year. The details of Annual General Meetings held during last 3 years are as under:

| Financial Year | Date | Location | Time |
|----------------|----------------------------------|----------------------------|------------|
| 2021-22 | 29 th September, 2022 | Through Video Conferencing | 11.00 a.m. |
| 2020-21 | 28 th September, 2021 | Through Video Conferencing | 11.00 a.m. |
| 2019-20 | 8 th September, 2020 | Through Video Conferencing | 11.30 a.m. |

11.2 Details of Special Resolutions passed in last three Annual General Meetings:

| Date of AGM | Description of resolution |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 29 th September, 2022 | Increase in Borrowing limits under Section 180 (1) (c) of the Companies Act from Rs.150.00 Crores to Rs.200.00 Crores. |
| 28 th September, 2021 | Re-appointment of Mr. Shishir S. Shirgaokar under Reg. 17(1A) of SEBI (LODR) Regulations 2015. |
| 8 th September, 2020 | To consider and approve revision in remuneration of Mr. Sachin R. Shirgaokar, (DIN:00254442) Managing Director for the period of 3 years w.e.f. 01.04.2020. To consider and approve revision in remuneration of Mr. Sohan S. Shirgaokar, (DIN:00217631) Joint Managing Director for the period of 3 years w.e.f. 01.04.2020. To consider and approve the reappointment of Mr. V. S. Reddy, (DIN:03425960) Executive Director for the period of 3 years and revise remuneration w.e.f. 01.04.2020. To increase Borrowing Limits u/s 180 (1) (c) of the Companies Act 2013. |

11.3 Postal Ballot

Special Resolution was passed through Postal Ballot during the year 2022-23 on 14.02.2023.

The details of the Special Resolution passed through the Postal Ballot are as under;

| Date of Passing Resolution through Postal Ballot | Description of resolution |
|--------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 23 rd March, 2023 | <ol style="list-style-type: none"> To consider and approve the re-appointment of Mr. Dattaram Pandurang Kamat as Independent Director for second term. To consider and approve the re-appointment of Mrs. Prabha Prakash Kulkarni as Independent Director under Regulation 17(1A) of SEBI (LODR) Regulations 2015 for second term. To consider and approve the re-appointment of Dr. Mallappa Rachappa Desai as Independent Director under Regulation 17(1A) of SEBI (LODR) Regulations 2015 for second term. To consider and approve remuneration of Mr. Sachin R. Shirgaokar, (DIN: 00254442) Chairman & Managing Director for the period of 3 years w.e.f. 01.04.2023. To consider and approve remuneration of Mr. Sohan S. Shirgaokar, (DIN:00217631) Joint Managing Director for the period of 3 years w.e.f. 01.04.2023. To consider and approve the reappointment of Mr. Vendavagali Srinivasa Reddy, (DIN: 03425960) Wholetime Director for the period of 3 years and remuneration w.e.f. 01.04.2023. |

12. MEANS OF COMMUNICATION:

The Company has published its Quarterly Results as per the details mentioned below:

| News Papers | Date of Board Meetings | Date of Publication |
|---------------------------------------------------------------------------|---------------------------------|---------------------------------|
| Business Standard (English - All India Edition) Pudhari (Marathi) | 20 th May, 2022 | 21 st May, 2022 |
| Business Standard (English - All India Edition) Tarun Bharat (Marathi) | 10 th August, 2022 | 11 th August, 2022 |
| Business Standard (English - All India Edition) Tarun Bharat (Marathi) | 12 th November, 2022 | 13 th November, 2022 |
| Business Standard (English - All India Edition) Tarun Bharat (Marathi) | 14 th February, 2023 | 15 th February, 2023 |

Website: The Company's website viz. www.synergygreenind.com contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Reports and quarterly results are also available in a user-friendly and downloadable form.

News releases, presentations, among others: All corporate announcements made to the Stock Exchanges during the year 2022-23 are made available on the website of the Company.

13. GENERAL SHAREHOLDERS' INFORMATION:
13.1 Annual General Meeting:

Day & Date : Wednesday & 9th August 2013

Time : 11.00 a.m.

Venue : at Registered Office of the Company at 392, E Ward, Shahupuri, Kolhapur-416001
(Meeting convened physically)

13.2 Financial Year:

The Company follows the period of 1st April to 31st March, as the Financial Year.

13.3 Dividend payment date: Not applicable

13.4 Book Closure: Not applicable

13.5 Cut-off date for remote e-voting:

The remote e-voting/voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on the cut-off date i.e. August 02, 2023. Remote evoting shall remain open from August 06, 2023 (9.00 a.m.) till August 08, 2023 (5.00 p.m.).

13.6 Listing on Stock Exchanges:

a. The equity shares are listed at the following Stock Exchanges:

| Name of the Stock Exchanges | Scrip Code / Symbol |
|-----------------------------------------------------------------------------------------------------------|---------------------|
| BSE Ltd. P J Towers, Dalal Street, Mumbai -400001 | 541929 |
| NSE Ltd. Exchange Plaza, Plot No.C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051 | SGIL Series: EQ |

b. ISIN for the Company's equity share : INE00QT01015 (having face value of Re.10/-)

c. Corporate Identity Number (CIN) : L27100PN2010PLC137493

d. The Company has paid listing fees for the financial year 2022-23 to BSE Ltd. and National Stock Exchange of India Ltd., where Company's shares are listed.

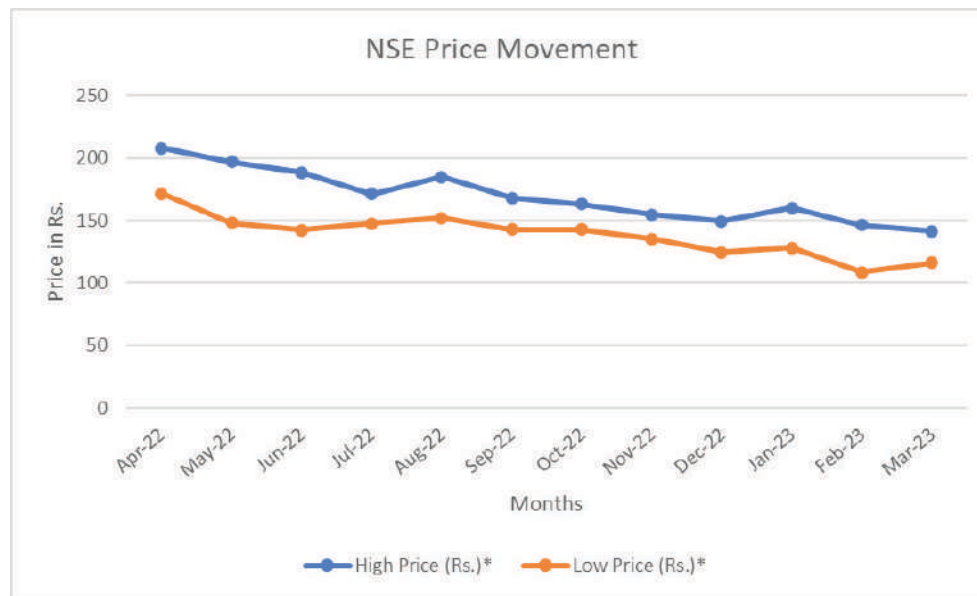
13.7 Stock Market Price Data and performance in comparison to BSE Sensex/NSE NIFTY 50:

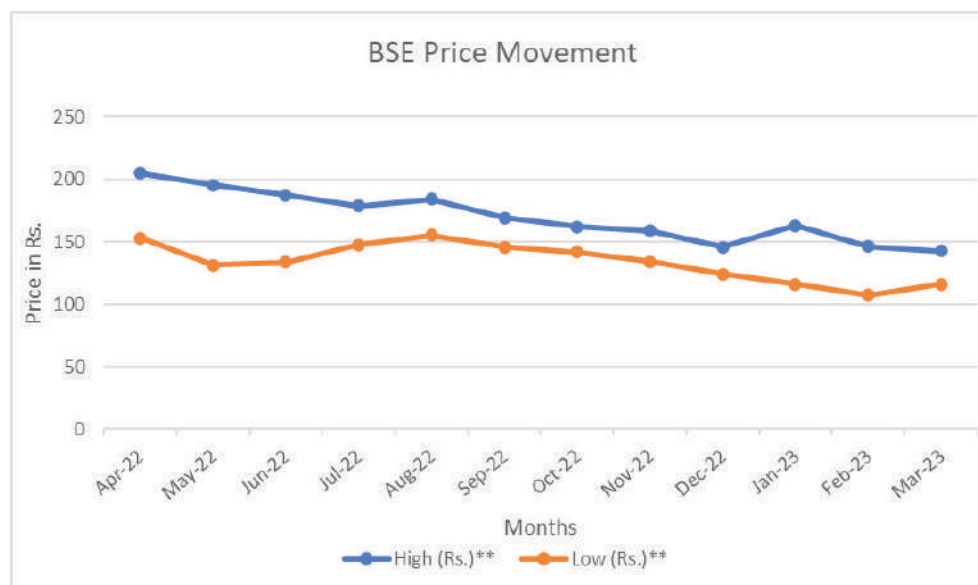
The monthly high / low quotations of shares traded on BSE Ltd. and at National Stock Exchange of India Ltd. during each month in last financial year and performance in comparison to BSE Sensex and NSE Nifty 50 are as follows:

| NSE | | | BSE | | |
|--------|-------------|------------|--------|--------------|-------------|
| Months | High (Rs.)* | Low (Rs.)* | Months | High (Rs.)** | Low (Rs.)** |
| Apr-22 | 207.75 | 171.55 | Apr-22 | 205.00 | 152.95 |
| May-22 | 196.80 | 148.05 | May-22 | 195.30 | 131.45 |
| Jun-22 | 188.45 | 142.10 | Jun-22 | 187.20 | 133.50 |
| Jul-22 | 171.00 | 147.50 | Jul-22 | 178.80 | 147.70 |
| Aug-22 | 184.80 | 152.00 | Aug-22 | 184.20 | 155.20 |
| Sep-22 | 167.90 | 142.80 | Sep-22 | 169.35 | 146.05 |
| Oct-22 | 162.90 | 142.80 | Oct-22 | 162.00 | 142.05 |
| Nov-22 | 154.90 | 135.10 | Nov-22 | 159.00 | 134.35 |
| Dec-22 | 149.50 | 124.55 | Dec-22 | 145.70 | 124.40 |
| Jan-23 | 160.00 | 128.20 | Jan-23 | 163.00 | 116.10 |
| Feb-23 | 146.15 | 108.50 | Feb-23 | 146.35 | 107.35 |
| Mar-23 | 141.50 | 116.25 | Mar-23 | 142.90 | 116.05 |

Source: *www.nseindia.com

** www.bseindia.com

13.8 Performance in comparison to broad based indices:




13.9 Trading of Securities: The securities of the Company were not suspended from trading during the year 2022-23.

13.10 Registrar and Share Transfer Agents:

The Company has engaged Link Intime India Pvt. Ltd., Block No.202, 2nd Floor, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune 411001, Tel. 020-26161629, Email : pune@linkintime.co.in, website : <https://www.linkintime.co.in>, a SEBI registered body as its Registrar and Share Transfer Agent for processing transfers, sub-division, consolidation etc.

Since trading in Company's shares can now be done only in the dematerialized form, request for demat and remat should be sent directly to the Registrar through depository participants concerned.

13.11 Share Transfer System:

As stated above, the Company's shares are compulsorily traded in demat mode on the stock exchange. This is to further inform that all the shares of Company are held in demat form.

The Company obtains from a Company Secretary in practice, a yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI Listing Regulations and files a copy of the said certificate with stock exchanges in compliance with regulation 40 of the Listing regulation.

13.12 Reconciliation of Share Capital Audit:

As stipulated by Securities and Exchange Board of India (SEBI), a qualified Practicing Company Secretary carries the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon are submitted to stock exchanges and is also placed before the Board of Directors. No discrepancies were noticed during the financial year ended 2023.

13.13 Distribution of Shareholding:

The shareholding distribution of the equity shares as on 31st March, 2023 is given below:

| Shareholding by Nominal Value | No. of Shareholders | % of Total Shareholders | No of Shares | % of Total Shareholding |
|-------------------------------|---------------------|-------------------------|--------------------|-------------------------|
| 1 – 5000 | 3823 | 89.36 | 2,31,120 | 1.64 |
| 5001-10000 | 152 | 3.55 | 1,23,124 | 0.87 |
| 10001-20000 | 130 | 3.04 | 2,25,028 | 1.59 |
| 20001-30000 | 26 | 0.61 | 65,357 | 0.46 |
| 30001-40000 | 33 | 0.77 | 1,23,640 | 0.88 |
| 40001-50000 | 14 | 0.33 | 65,374 | 0.46 |
| 50001-100000 | 33 | 0.77 | 2,60,290 | 1.84 |
| 100001 & Above | 67 | 1.57 | 1,30,36,067 | 92.26 |
| Total | 3897 | 100.00 | 1,41,30,000 | 100.00 |

13.14 Shareholding Pattern as on 31stMarch, 2023:

| Sr. No. | Category | Total No. of Shares held | % of Total Shareholdings |
|---------|---------------------------------------------|--------------------------|--------------------------|
| 1. | Clearing Members | 2,782 | 0.07 |
| 2. | Other Bodies Corporate | 2,07,267 | 1.31 |
| 3. | Hindu Undivided Family | 1,52,779 | 0.60 |
| 4. | Non Resident Indians | 1,33,116 | 0.62 |
| 5. | Non Resident (Non Repatriable) | 25,971 | 0.23 |
| 6. | Public | 19,48,224 | 11.11 |
| 7. | Promoters | 77,35,796 | 55.06 |
| 8. | Relatives Of Promoters | 27,43,308 | 19.08 |
| 9. | Body Corporate - Ltd Liability Partnership | 70,757 | 0.01 |
| 10. | Foreign Portfolio Investors (Corporate) - I | 8,36,000 | 9.88 |
| 11. | Alternate Invst Funds - III | 2,74,000 | 2.04 |
| | Total | 1,41,30,000 | 100.00 |

13.14 Dematerialization of Shares and liquidity:

The entire shareholding of the Company is in DEMAT form.

CDSL : 1,12,41,001

NSDL : 28,88,999

13.15 Convertible Instruments:

The Company has not issued any Global Depository Receipts (GDRs)/American Depository Receipts (ADRs)/warrants or any convertible instrument, which is likely to have impact on the Company's Equity.

13.16 Commodity Price risk or foreign exchange risk and hedging activities:

The Company is exposed to the risk of price fluctuations while exporting the castings, which are proactively managed. The Company has a robust framework in place to protect its interests from risks arising out of market volatility. Based on continuous monitoring and market intelligence the sales and procurement team take appropriate strategy to deal with the market volatility. As exposure to the foreign exchange risk is not significant, the Company has decided not to hedge the currency risk.

13.17 Plant locations: C-18, Five Star MIDC, Kagal, Tal. Hatkanangle, Kolhapur – 416216, Maharashtra.

13.18 Registered Office:

Synergy Green Industries Limited,
392, E Ward, Shahupuri,
Kolhapur-416001, Maharashtra
Telephone: 0231-2658375
E-mail: nmm@synergygreenind.com

13.19 Address for correspondence:

All Shareholders correspondence should be addressed to:

The Company Secretary & Compliance Officer

Synergy Green Industries Limited

392, E Ward, Shahupuri,
Kolhapur-416001, Maharashtra
Telephone: 0231-2658375
E-mail: nmm@synergygreenind.com

13.20 Credit rating:

List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds.

| Tenure | Rating |
|-------------------|-----------------------------------|
| Long Term Rating | 'CRISIL BBB-/Stable (Reaffirmed)' |
| Short Term Rating | 'CRISIL A3 (Reaffirmed)' |
| Fixed Deposits | 'BBB-/ Stable' |

13.21 Dividend:

The Company has not declared any dividend for the financial year ended on 31st March 2023.

14. DISCLOSURES

14.1 Related Party Transactions:

All transactions entered into with related parties as defined under the Act, and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year ended 31st March, 2023 were in the ordinary course of business and on arm's length basis. There were no materially significant related party transactions, pecuniary transactions or relationship between the Company and its Directors during the financial year ended 31st March, 2023 that may have potential conflict with the interest of the Company at large. Suitable disclosures as required by Indian Accounting Standards (Ind AS 24) have been made in the notes to the Financial Statements, forming part of the Annual Report. The Board has approved a policy for related party transactions which can be accessed at the Company website link at:

<https://synergygreenind.com/sites/default/files/8.%20Policy%20on%20related%20party%20transactions.pdf>

14.2 Compliance by the Company:

The Company has complied with all the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as the regulations and guidelines of SEBI. There were no strictures or penalties imposed by either SEBI or Stock Exchanges or any other statutory authorities for non-compliance of any matter related to the capital markets during the last three years except penalties imposed by the National Stock Exchange of India and BSE Ltd. for non-compliance under Regulation 17(1A) of the SEBI (LODR) Regulations, 2015, during the period from 28th July, 2021 to 28nd January, 2022, which was subsequently complied with.

14.3 Whistle Blower Policy /Vigil Mechanism and affirmation that no personnel have been denied access to the Audit Committee:

The Company has established a mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of code of conduct or ethics policy. The mechanism also provides for adequate safeguards against victimization of persons who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in the exceptional cases. We affirm that during the financial year ended 31st March, 2023, no person was denied access to the Audit Committee.

14.4 Compliance with mandatory / discretionary requirements under Regulation 27 read with Schedule II Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The Company has complied with all mandatory requirements under Regulation 27 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14.5 Risk Management:

The Company has laid down procedure to inform Board members about the risk assessment and minimization procedures. The Company has framed the risk assessment and minimization procedure, which is periodically reviewed by the Board.

14.6 Policy on Material Subsidiary:

In accordance with the requirements of Regulation 16(1)(c) of SEBI Listing Regulations, this is to inform that the Company does not have subsidiary.

14.7 CMD and CFO Certification:

As required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from Mr. Sachin R. Shirgaokar, Chairman & Managing Director and Mr. Suhas B. Kulkarni, Chief Financial Officer of the Company certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs, was placed before the Board.

14.8 Review of Directors' Responsibility Statement:

The Board in its report has confirmed that the annual accounts for the year ended 31stMarch, 2023 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

14.9 Details of utilization of funds raised through preferential allotment or qualified institutions placement:

The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year ended 31st March, 2023.

14.10 Recommendation by Committee:

The Board has accepted all recommendations made by its committees during the financial year ended 31stMarch, 2023.

14.11 Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part, given below:

(Rs. in Lakhs)

| Nature of Payments | Amount |
|----------------------------------------------------|-------------|
| Statutory Audit | 2.55 |
| Other services including reimbursement of expenses | 0.78 |
| Total | 3.33 |

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

| Sr. No. | Particulars | No. of Complaints |
|---------|----------------------------------------------------|-------------------|
| a. | Complaints filed during the financial year | Nil |
| b. | Complaints disposed of during the financial year | Nil |
| c. | Complaints pending as on end of the financial year | Nil |

14.13 Compliance of the requirement of Corporate Governance Report:

During the financial year ended 31stMarch, 2023 the Company has complied with the requirements of Corporate Governance Report of sub paras (2) to (10) of the Point C of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

14.14 Disclosure of the compliance with Corporate Governance:

The Company has complied with the Regulations 17-20, 22-23, 24A, 25-27 and Clauses (b) to (i) of sub-regulations (2) of Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, during the financial year ended 31stMarch, 2023. Regulations 21 and 24 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are not applicable to the Company.

14.15 Compliance Certificate for Code of Conduct:

The declaration by Executive Chairman affirming compliance of Board and Senior Management Personnel to the Code of Conduct is also annexed herewith and forms part of this Report as per Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14.16 Disclosure of accounting treatment:

In the preparation of financial statements, the Company has followed the Indian Accounting Standards (Ind AS) as prescribed by the Ministry of Corporate Affairs under Companies (Indian Accounting Standards) Rule, 2015 and provisions of Companies Act, 2013 to the extent notified and applicable.

14.18 Auditors' certificate on Corporate Governance:

The Company has obtained a certificate from the Secretarial Auditor of the Company regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is annexed herewith as Annexure-B and forming part of this Report.

**By Order of the Board
For Synergy Green Industries Limited**

**Sachin R. Shirgaokar
Chairman & Managing Director
DIN:00254442**

**Date : May 26, 2023
Place : Kolhapur**

DECLARATION REGARDING COMPLIANCE OF CODE OF CONDUCT

As per Regulation 17 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Sachin R. Shirgaokar, Chairman & Managing Director do hereby declare that the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct of the Company during the financial year ended 2023.

By Order of the Board

For Synergy Green Industries Limited

Sachin R. Shirgaokar

Chairman & Managing Director

DIN:00254442

Date : May 26, 2023

Place : Kolhapur

TO THE BOARD OF DIRECTORS OF SYNERGY GREEN INDUSTRIES LIMITED
CERTIFICATE BY CHAIRMAN & MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY
[As per Regulation 17(8) read with Para B of Schedule II of SEBI (LODR) Regulations 2015]

We, the undersigned, in our respective capacities as Chairman & Managing Director and Chief Financial Officer of the Synergy Green Industries Limited, hereby certify that;

- A. We have reviewed financial statements and the cash flow statement for the year ended on 31st March 2023, and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, there are no deficiencies in the design or operation of such internal controls.
- D. We have indicated to the auditors and the Audit Committee that;
- (1) There are no significant changes in internal control over financial reporting during the year;
 - (2) There are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) There are no instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

FOR SYNERGY GREEN INDUSTRIES LIMITED

Place : Kolhapur
Date : May 26, 2022

SUHAS B. KULKARNI
CHIEF FINANCIAL OFFICER

SACHIN R. SHIRGAOKAR
CHAIRMAN & MANAGING DIRECTOR
DIN : 00254442

ANNEXURE-A
CERTIFICATE OF PRACTICING COMPANY SECRETARY

To,
The Members,
SYNERGY GREEN INDUSTRIES LIMITED
CIN: L27100PN2010PLC137493
392 E Ward Shahupuri, Kolhapur Maharashtra 416001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Synergy Green Industries Limited having CIN L27100PN2010PLC137493 and having its Registered Office at 392 E Ward Shahupuri, Kolhapur Maharashtra 416001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March 2023 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| Sr. No. | Name of the Director |
|---------|----------------------------|
| 1 | PRABHA PRAKASH KULKARNI |
| 2 | MEYYAPPAN SHANMUGAM |
| 3 | SHISHIR SURESH SHIRGAOKAR |
| 4 | CHANDAN SANJEEV SHIRGAOKAR |
| 5 | SOHAN SANJEEV SHIRGAOKAR |
| 6 | SUBHASH GUNDAPPA KUTTE |
| 7 | SACHIN RAJENDRA SHIRGAOKAR |
| 8 | MALLAPPA RACHAPPA DESAI |
| 9 | DATTARAM PANDURANG KAMAT |
| 10 | VENDAVALI REDDY SRINIVASA |

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

For Prajot Tungare & Associates
Company Secretaries
(Firm Reg. No. P2001MH01020)

CS Jayesh Parmar
Partner
FCS No. 11745
COP No. 17776
PR No. 993/2020
UDIN: F011745E000389727

Date: 26/05/2023
Place: Pune

ANNEXURE-B

PRACTICING COMPANY SECRETARIES' COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Synergy Green Industries Limited
CIN: L27100PN2010PLC137493
392 E Ward Shahupuri, Kolhapur Maharashtra 416001

We have examined the compliance of conditions of Corporate Governance by Synergy Green Industries Limited ("the Company") for the year ended on March 31, 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For Prajot Tungare & Associates
Company Secretaries
(Firm Reg. No. P2001MH01020)

CS Jayesh Parmar
Partner
FCS No. 11745
COP No. 17776
PR No. 993/2020
UDIN: F011745E000389738

Date: 26/05/2023
Place: Pune

INDEPENDENT AUDITORS' REPORT

To the Members of
Synergy Green Industries Limited

Report on the Audit of the Financial Statements

Opinion

We have audited Financial Statements of Synergy Green Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit (including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information in Directors Report, but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Key Audit Matters

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

Recoverability of Trade Receivables:

The company has significant trade receivables at year end which comprises of almost 12.14% of Total Assets of the company. Given the size of the balances and the risk that some of the trade receivables may not be recoverable, judgement is required to evaluate whether any provision should be made to reflect the risk. Assessment of the recoverability of trade receivables is inherently subjective and requires significant management judgement (which includes repayment history and financial position of entities from whom these balances are recoverable, terms of underlying arrangements, overdue balances, market conditions etc.).

We have performed following audit procedure for above Key Audit Matter:

1. Obtaining an understanding of and assessing the design, implementation, and operating effectiveness of the Company's key internal controls over the expected credit loss (ECL) policy of estimating the loss allowance for trade receivables including adherence to the requirements of the relevant Indian accounting standards.
2. Discussion with management about status and prospects of suits filled with NCLT for receivables and assessment of requirement for provisioning.

3. Assessing the company's ECL policy for provisioning towards trade receivables.
4. Understanding the key inputs used in the ECL policy by the company such as repayment history, terms of underlining arrangements, overdue balances, market conditions, expert's opinion etc.
5. Obtaining an understanding and assessing the reasonableness of the key outputs derived from provisioning ECL policy, as well as key judgements and assumptions used by the management.
6. Obtaining balance confirmation from debtors on sample basis and matching payable balances in this confirmation with the receivable balances of the company and addressing the reconciliation item.
7. Performed on a sample basis subsequent receipt testing of trade receivable balances post year end.
8. Disclosure requirements as per schedule III of the company's Act and Ind AS were verified.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required

to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A; a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) As required by section 197 (16) of the Act; in our opinion and according to information and explanation provided to us, the remuneration paid by the company to its directors is in accordance with the provisions of section 197 and Schedule V of the Act read with Companies (Appointment and Managerial Personnel) Rules, 2014 and remuneration paid to directors is in accordance with provisions of this section read with Schedule V.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 34 to the Financial Statements;
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 18 to the Financial Statements;
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

- (iv) (a) The management has represented to us that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts to the financial statements, if any, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) the management has represented to us, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts to the Financial Statements, if any, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the information and explanation given to us and audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations made by the management and as mentioned under sub-clause (iv)(a) and (iv)(b) above contain any material misstatement.
- (v) The Company has not declared or paid dividend during the year.
- (vi) The requirement to the use of accounting software for maintaining Company’s books of account which has a feature of recording audit trail (edit log) facility is deferred to financial years commencing on or after April 1, 2023, therefore reporting under Rule 11(g) of Companies (Audit & Auditors) Rules, 2014 is not applicable for financial year ended on March 31, 2023.

For M/s DAB & Associates
Chartered Accountants
Firm Registration No. 101119W

Place: Kolhapur
Date: 26th May 2023

Guruprasad Bobhate
Partner
Membership No.198670
UDIN: 23198670BGZGLG3632

Annexure A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
(B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The Property, Plant & Equipment are physically verified by the Management according to a phased program designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, a portion of the Property, Plant & Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 1 Property, Plant & Equipment to the Ind AS financial statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.
- (e) According to the information and explanations provided to us there are no proceedings have been initiated or are pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder. Hence reporting under clause 3(i) (e) of the order is not applicable.
- ii. (a) The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion and based on the policy adopted by the management, the coverage and procedure of such verification is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory as compared to book records and have been appropriately dealt with in the books of accounts.
- (b) According to the information and explanations provided to us, the company has been sanctioned working capital limits in excess of five crore rupees during the year, in aggregate, from banks or financial institutions on the basis of security of current assets. The management of the company has provided us with the quarterly returns or statements, which they have represented to us have been filed by the company with their banks or financial institutions. In our opinion, these quarterly returns or statements are in agreement with the books of account of the Company.
- iii. (a) The company during the year has made investments in companies, firms, Limited Liability Partnerships, or any other parties. The Company has not stood any guarantee or provided any security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties and reporting under clause 3 (iii) (c), (d), (e), (f) is not applicable to the company.
- (b) In terms of the information and explanations given to us and the books of account and records examined by us, investments made during the year are not prejudicial to the Company's interest.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules made thereunder to the extent notified, with regard to the deposits from members. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Goods and Service Tax, provident fund, employees' state insurance, sales tax, income tax, service tax, duty of customs thought there is slight delay in a few cases duty of excise, value added tax, cess as applicable with the appropriate authorities.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues, Goods and Service Tax, provident fund, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at 31st March 2023 which have not been deposited on account of a dispute, are as follows:

| Name of the statute | Nature of dues | Amount (Rs. lakhs) | Period to which the amount relates | Forum where the dispute is pending |
|-------------------------------------|----------------------|--------------------|------------------------------------|------------------------------------------------------|
| Service Tax under Finance Act, 1994 | Central Excise Duty | 2.95 | 2012-13 & 2013-14 | The Commissioner of Central GST (Appeals), Pune |
| Goods & Services Tax Act, 2017 | Excess refund of GST | 507.22 | 2017-2018 | Deputy Commissioner of State tax (Appeals), Kolhapur |

- viii. In terms of the information and explanations given to us and the books of account and records examined by us, the Company has not surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence reporting under clause 3(viii) of the order is not applicable.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender as at the balance sheet date.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Ind AS financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) The company does not have any subsidiary, associate or joint venture, hence reporting under clause 3(ix)(e) of the order is not applicable.
- (f) The company does not have any subsidiary, associate or joint venture, hence reporting under clause 3(ix)(f) of the order is not applicable.
- x. (a) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year. Accordingly, the provisions of Clause 3(x)(b) of the Order are not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, report in the form ADT-4 as specified under sub-section (12) of section 143 of the Companies Act has not been filed. Accordingly reporting under clause 3(xi)(b) of the order is not applicable.
- (c) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us and as represented to us by the management, there are no whistle blower complaints received by the company during the year.'
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the Ind AS financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- xiv. (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
(b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) (a) of the Order are not applicable to the Company.
(b) According to the information and explanations given to us and procedures performed by us, we report that the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, reporting under clause 3(xvi)(b) of the order is not applicable.
(c) According to the information and explanations given to us and procedures performed by us, the Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence reporting under clause 3(xvi)(c) of the order is not applicable.
(d) Based on information and explanation given to us and as represented by the management, the Group does not have any Core Investment Company (CIC) as part of the Group.
- xvii. The Company has not incurred cash losses during current financial year and had not incurred cash losses during immediately preceding financial year.
- xviii. There has been no resignation by statutory auditors during the year hence reporting under clause 3(xviii) of the order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
(b) There are no unspent amounts towards Corporate Social Responsibility (CSR) in respect of ongoing projects requiring a transfer to a Special Account in compliance with sub-section (6) of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For M/s DAB & Associates
Chartered Accountants
Firm Registration No. 101119W

Guruprasad Bobhate
Partner
Membership No.198670
UDIN: 23198670BGZGLG3632

Place: Kolhapur
Date: 26th May 2023

Annexure B to the Independent Auditors' Report

Referred to in paragraph 2 (f) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

Report on the Internal Financial Controls with reference to Financial Statements

under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the Financial Statements of Synergy Green Industries Limited ("the Company") as of 31st March 2023 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 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 with reference to the Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Financial Statements included obtaining an understanding of internal financial controls with reference to the Ind AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with reference to the Financial Statements

A company's internal financial controls with reference to the Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Financial Statements includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to the Financial Statements and such internal financial controls with reference to the Financial Statements were operating effectively as at March 31, 2023, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M/s DAB & Associates
Chartered Accountants
Firm Registration No. 101119W

Guruprasad Bobhate
Partner
Membership No.198670
UDIN: 23198670BGZGLG3632

Place: Kolhapur
Date: 26th May 2023

Balance Sheet As At March 31, 2023

₹ in Lacs

| Sr. No. | Particulars | Note No. | March 31, 2023 | March 31, 2022 |
|-----------|-----------------------------------------------------|----------|------------------|------------------|
| | ASSETS | | | |
| I | Non-current assets | | 8,178.95 | 8,566.56 |
| | (a) Property, plant and equipment | 1 | 6,901.89 | 7,590.21 |
| | (b) Capital work-in-progress | 1 | 1,096.29 | 689.59 |
| | (c) Other Intangible assets | 1 | 16.72 | 21.13 |
| | (d) Financial assets | | | |
| | (i) Investments | 2 | 0.25 | - |
| | (ii) Other financial assets | 3 | 15.44 | 15.44 |
| | (e) Other non-current assets | 4 | 148.36 | 250.19 |
| II | Current assets | | 9,997.64 | 10,851.55 |
| | (a) Inventories | 5 | 6,312.56 | 6,064.82 |
| | (b) Financial assets | | | |
| | (i) Trade receivables | 6 | 2,207.49 | 3,236.81 |
| | (ii) Cash and cash equivalents | 7a | 28.91 | 8.62 |
| | (iii) Bank balance other than (ii) above | 7b | 579.01 | 183.79 |
| | (iv) Other financial assets | 8 | 245.76 | 334.98 |
| | (c) Other current assets | 9 | 623.91 | 1,022.53 |
| | Total Assets | | 18,176.59 | 19,418.11 |
| | EQUITY AND LIABILITIES | | | |
| | Equity | | 3,511.22 | 3,416.38 |
| | (a) Equity share capital | 10 | 1,413.00 | 1,413.00 |
| | (b) Other equity | 11 | | |
| | (i) Retained earnings | | (157.50) | (252.34) |
| | (ii) Security Premium | | 2,255.72 | 2,255.72 |
| | Liabilities | | | |
| I | Non-current liabilities | | 4,729.87 | 4,746.78 |
| | (a) Financial liabilities | | | |
| | (i) Long Term Borrowings | 12 | 4,206.06 | 4,321.16 |
| | (ii) Other financial liabilities | 13 | 428.52 | 321.42 |
| | (b) Long-term provisions | 14 | 66.74 | 60.93 |
| | (c) Deferred tax liabilities (net) | 15 | 28.55 | 43.27 |
| II | Current liabilities | | 9,935.50 | 11,254.95 |
| | (a) Financial liabilities | | | |
| | (i) Borrowings | 16 | 4,160.19 | 3,919.07 |
| | (ii) Trade and other payables | 17 | | |
| | (a) Total outstanding dues of MSME | | 52.26 | 54.06 |
| | (b) Total outstanding dues other than (ii)(a) above | | 5151.74 | 6,421.62 |
| | (iii) Other financial liabilities | 18 | 451.10 | 583.12 |
| | (b) Other current liabilities | 19 | 54.78 | 214.57 |
| | (c) Short-term provisions | 20 | 65.43 | 62.51 |
| | Total Equity & Liabilities | | 18,176.59 | 19,418.11 |
| | Corporate Information, Basis of Preparation | 31 | | |
| | Statement of Compliance | 32 | | |
| | Significant Accounting Policies | 33 | | |
| | Other Information & Disclosure | 34-56 | | |

As per our report of even date
 For M/s DAB & Associates
 Chartered Accountants
 Firm Registration No. 101119W

For and on behalf of the board of directors of
 SYNERGY GREEN INDUSTRIES LTD

Guruprasad Bobhate
 Partner
 Membership No.198670

Sachin R. Shirgaokar
 Chairman and Managing Director
 DIN:00254442

Sohan S. Shirgaokar
 Jt. Managing Director
 DIN:00217631

Place : Kolhapur
 Date : May 26, 2023

Suhas B. Kulkarni
 Chief Financial Officer

Nilesh M. Mankar
 Company Secretary

Statement of Profit And Loss For The Year Ended March 31, 2023

₹ in Lacs

| Sr. No. | Particulars | Note No. | March 31, 2023 | March 31, 2022 |
|---------|----------------------------------------------------------------------------------------------------------|----------|------------------|------------------|
| | Income | | | |
| I | Revenue from operations | 21 | 28,971.17 | 28,377.27 |
| II | Other income | 22 | 43.66 | 114.42 |
| III | Total Income | | 29,014.83 | 28,491.69 |
| | Expenses | | | |
| IV | Cost of raw materials and components consumed | 23 | 13,220.75 | 12,790.76 |
| | Changes in inventories of finished goods, work-in-progress | 24 | (679.51) | (465.34) |
| | Employee benefits expense | 25 | 2,418.62 | 2,340.39 |
| | Finance costs | 26 | 1,407.87 | 1,149.77 |
| | Depreciation and amortisation expense | 27 | 1,198.95 | 1,063.93 |
| | Other Expenses | 28 | 11,378.86 | 11,305.55 |
| | Total Expenses | | 28,945.54 | 28,185.06 |
| V | Profit before exceptional items and tax | | 69.29 | 306.63 |
| VI | Exceptional items | | - | - |
| VII | Profit before tax | | 69.29 | 306.63 |
| VIII | Tax expense | 30 | (17.45) | 163.81 |
| | Current tax | | - | - |
| | Deferred tax | | (17.45) | 163.81 |
| IX | Profit for the year | | 86.74 | 142.82 |
| X | Other comprehensive income | | | |
| | A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods: | | | |
| | Re-measurement gains / (losses) on defined benefit plans | 29 | 10.85 | (37.67) |
| | Income tax effect on above | 29 | (2.73) | 9.48 |
| | Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (A) | | 8.12 | (28.19) |
| | Total other comprehensive income for the year, net of tax [A] | | 8.12 | (28.19) |
| XI | Total comprehensive income for the year, net of tax | | 94.86 | 114.63 |
| XII | Earnings per equity share (nominal value per share Rs.10) | | | |
| | Basic & Diluted | | 0.61 | 1.01 |
| | Corporate Information, Basis of Preparation | 31 | | |
| | Statement of Compliance | 32 | | |
| | Significant Accounting Policies | 33 | | |
| | Other Information & Disclosure | 34-56 | | |

As per our report of even date
For M/s DAB & Associates
Chartered Accountants
Firm Registration No. 101119W

For and on behalf of the board of directors of
SYNERGY GREEN INDUSTRIES LTD

Guruprasad Bobhate
Partner
Membership No.198670

Sachin R. Shirgaokar
Chairman and Managing Director
DIN:00254442

Sohan S. Shirgaokar
Jt. Managing Director
DIN:00217631

Place : Kolhapur
Date : May 26, 2023

Suhas B. Kulkarni
Chief Financial Officer

Nilesh M. Mankar
Company Secretary

Cash Flow Statement for the Year Ended March 31, 2023

₹ in Lacs

| Sr. No. | Particulars | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
|----------|---------------------------------------------------------|--------------------------------------|--------------------------------------|
| A | Cash flows from operating activities | | |
| | Net profit before taxes and extraordinary items - | 69.29 | 306.63 |
| | Adjustments for: | | |
| (a) | Depreciation | 1198.95 | 1063.93 |
| (b) | (Profit)/Loss on sale of fixed assets | (10.29) | (30.75) |
| (c) | Interest income | (26.62) | (27.41) |
| (d) | Foreign Exchange (Gain)/ Loss | 37.30 | 0.00 |
| (e) | Provision | 17.72 | 78.71 |
| (f) | Interest expenses | 1407.87 | 1149.77 |
| | Operating profits before working capital changes | 2694.22 | 2540.88 |
| | Adjustments for: | | |
| (a) | (Increase)/decrease in trade receivable | 1022.87 | (430.81) |
| (b) | (Increase)/decrease in other financial assets | 90.31 | 321.92 |
| (c) | (Increase)/decrease in other non-financial assets | 385.52 | (3.34) |
| (d) | (Increase)/decrease in inventories | (247.71) | (764.83) |
| (e) | Increase/(decrease) in trade payables | (1274.15) | 825.18 |
| (f) | Increase/(decrease) in other financial liabilities | (10.54) | 33.07 |
| (g) | Increase/(decrease) in other non-financial liabilities | (159.79) | 162.15 |
| (h) | Increase/(decrease) in Provisions | 8.72 | 35.70 |
| | Cash generated from operations | 2509.45 | 2719.92 |
| (a) | Income tax paid | 57.21 | 88.29 |
| | Net cash from operating activities | 2566.66 | 2808.21 |
| B | Cash flows from investing activities | | |
| (a) | Purchase of fixed assets | (1034.77) | (2639.86) |
| (b) | Proceeds from sale of other fixed assets | 25.00 | 103.36 |
| (c) | Interest received | 26.62 | 27.41 |
| (d) | Investment in Fixed Deposits | (395.23) | (4.93) |
| (e) | Purchase of Investments | (0.25) | 0.00 |
| | Net cash from investing activities | (1378.63) | (2514.02) |
| C | Cash flows from financing activities | | |
| (a) | Proceeds from Long Term Borrowings | 893.54 | 1158.82 |
| (b) | Repayment of Long Term Borrowings | (775.90) | (548.33) |
| (c) | Interest paid | (1285.38) | (1111.97) |
| | Net cash used in financing activities | (1167.74) | (501.48) |
| (a) | Net increase in cash and cash equivalents | 20.29 | (207.29) |
| (b) | Cash and cash equivalents at beginning of period | 8.62 | 215.91 |
| (c) | Cash and cash equivalents at the end of period | 28.91 | 8.62 |

Notes to Cash Flow Statement

- Cash Flow statement has been prepared under indirect method as set out in Ind AS 7 Statement of Cash Flow.
- For Net Debt reconciliation statement refer note no.12
- For Company's policy on cash and cash equivalents refer a note no. 33.4

As per our report of even date
 For M/s DAB & Associates
 Chartered Accountants
 Firm Registration No. 101119W

For and on behalf of the board of directors of
 SYNERGY GREEN INDUSTRIES LTD

Guruprasad Bobhate
 Partner
 Membership No.198670

Sachin R. Shirgaokar
 Chairman and Managing Director
 DIN:00254442

Sohan S. Shirgaokar
 Jt. Managing Director
 DIN:00217631

Place : Kolhapur
 Date : May 26, 2023

Suhas B. Kulkarni
 Chief Financial Officer

Nilesh M. Mankar
 Company Secretary

Statement of changes in Equity for the year ended 31st March 2023
A. Equity Share Capital (Note 10)
Current reporting period

₹ in Lacs

| Equity Shares of Rs 10 each issued, subscribed and fully paid | No. of Shares | Amount |
|-------------------------------------------------------------------|---------------|-----------------|
| Opening Balance as on At 1 April 2022 | 141.30 | 1,413.00 |
| Changes in equity share capital due to prior period errors | - | - |
| Restated balance at the beginning of the current reporting period | 141.30 | 1,413.00 |
| Changes in equity share capital during the year | - | - |
| Balance at the end of current reporting period | 141.30 | 1,413.00 |

Previous reporting period

₹ in Lacs

| Equity Shares of Rs 10 each issued, subscribed and fully paid | No. of Shares | Amount |
|-------------------------------------------------------------------|---------------|-----------------|
| Opening Balance as on At 1 April 2021 | 141.30 | 1,413.00 |
| Changes in equity share capital due to prior period errors | - | - |
| Restated balance at the beginning of the current reporting period | 141.30 | 1,413.00 |
| Changes in equity share capital during the year | - | - |
| Balance at the end of previous reporting period | 141.30 | 1,413.00 |

B. Other Equity

₹ in Lacs

| Particulars | Reserves and Surplus | | Total equity |
|--------------------------------------------------------------------------|----------------------|------------------|-----------------|
| | Securities Premium | Retained Earning | |
| At 1 April 2021 | 2,255.72 | (366.96) | 1,888.76 |
| Changes in equity share capital due to prior period errors | - | - | - |
| Restated balance at the beginning of the current reporting period | 2,255.72 | (366.96) | 1,888.76 |
| Profit for the year | - | 142.81 | 142.81 |
| Other comprehensive income for the year | - | (28.19) | (28.19) |
| Total Comprehensive income for the year | - | 114.62 | 114.62 |
| As at 31 March 2022 | 2,255.72 | (252.34) | 2,003.38 |
| As at 1 April 2022 | 2,255.72 | (252.34) | 2,003.38 |
| Changes in equity share capital due to prior period errors | - | - | - |
| Restated balance at the beginning of the current reporting period | 2,255.72 | (252.34) | 2,003.38 |
| Profit for the year | - | 86.72 | 86.72 |
| Other comprehensive income for the year | - | 8.12 | 8.12 |
| Total Comprehensive income for the year | - | 94.84 | 94.84 |
| At 31 March 2023 | 2,255.72 | (157.50) | 2,098.22 |

 As per our report of even date
 For M/s DAB & Associates
 Chartered Accountants
 Firm Registration No. 101119W

 For and on behalf of the board of directors of
 SYNERGY GREEN INDUSTRIES LTD

 Guruprasad Bobhate
 Partner
 Membership No.198670

 Sachin R. Shirgaokar
 Chairman and Managing Director
 DIN:00254442

 Sohan S. Shirgaokar
 Jt. Managing Director
 DIN:00217631

 Place : Kolhapur
 Date : May 26, 2023

 Suhas B. Kulkarni
 Chief Financial Officer

 Nilesh M. Mankar
 Company Secretary

NOTES FORMING PART OF FINANCIAL STATEMENTS

| Particulars | ₹ in Lacs | | | | | | | | | | Other intangible Assets | | |
|----------------------------|----------------|-----------|-------------------|--------------------|---------------|------------------------|----------------------|------------------|-----------|---------|-------------------------|--------|--|
| | Leasehold Land | Buildings | Plant & Machinery | Tools & Equipments | Dies & Moulds | Electric Installations | Furniture & Fixtures | Office Equipment | Computers | Vehicle | | Total | |
| GROSS BLOCK | | | | | | | | | | | | | |
| As at 1 April 2021 | 151.65 | 3,098.91 | 5,775.95 | 283.86 | 1,940.67 | 43.49 | 113.73 | 45.11 | 51.21 | 127.20 | 11,631.78 | 225.85 | |
| Additions | - | 164.60 | 1,272.72 | 30.68 | 979.12 | - | 12.76 | 6.14 | 11.48 | - | 2,477.50 | 3.30 | |
| Other adjustments | - | - | - | - | - | - | - | - | - | - | - | - | |
| Asset Held for Disposal | - | - | - | - | - | - | - | - | - | - | - | - | |
| Deductions / Amortisation | - | - | 5.18 | - | 309.20 | - | - | - | 1.24 | - | 315.62 | - | |
| As at 31 March 2022 | 151.65 | 3,263.51 | 7,043.50 | 314.55 | 2,610.58 | 43.49 | 126.49 | 51.25 | 61.45 | 127.20 | 13,793.66 | 229.15 | |
| Additions | - | - | 155.80 | 20.86 | 325.42 | - | - | 0.68 | 12.70 | - | 515.47 | 5.49 | |
| Other adjustments | - | - | - | - | - | - | - | - | - | - | - | - | |
| Asset Held for Disposal | - | - | - | - | - | - | - | - | - | - | - | - | |
| Deductions / Amortisation | - | - | 8.37 | - | 9.49 | - | 0.08 | - | - | - | 17.94 | - | |
| As at 31 March 2023 | 151.65 | 3,263.51 | 7,190.93 | 335.41 | 2,926.51 | 43.49 | 126.41 | 51.93 | 74.16 | 127.20 | 14,291.18 | 234.64 | |
| Depreciation | | | | | | | | | | | | | |
| Upto 1 April 2021 | 16.08 | 1,007.37 | 2,843.97 | 234.44 | 1,117.70 | 10.52 | 75.67 | 31.27 | 45.27 | 49.72 | 5,432.02 | 158.55 | |
| For the year | 1.66 | 213.66 | 387.45 | 27.20 | 326.92 | 8.54 | 11.63 | 7.03 | 6.49 | 23.86 | 1,014.46 | 49.47 | |
| Asset Held for Disposal | - | - | - | - | - | - | - | - | - | - | - | - | |
| Deductions / Amortisation | - | - | 0.32 | - | 241.48 | - | - | - | 1.21 | - | 243.01 | - | |
| As at 31 March 2022 | 17.74 | 1,221.04 | 3,231.10 | 261.64 | 1,203.14 | 19.06 | 87.30 | 38.30 | 50.55 | 73.58 | 6,203.46 | 208.02 | |
| For the year | 1.66 | 198.57 | 439.24 | 25.71 | 476.15 | 6.33 | 10.12 | 5.42 | 9.44 | 16.42 | 1,189.05 | 9.90 | |
| Asset Held for Disposal | - | - | - | - | - | - | - | - | - | - | - | - | |
| Deductions / Amortisation | - | - | 2.54 | - | 0.61 | - | 0.08 | - | - | - | 3.23 | - | |
| As at 31 March 2023 | 19.41 | 1,419.60 | 3,667.81 | 287.35 | 1,678.68 | 25.39 | 97.34 | 43.72 | 59.99 | 90.01 | 7,389.29 | 217.92 | |
| Net Block : | | | | | | | | | | | | | |
| As at 31 March 2022 | 133.90 | 2,042.47 | 3,812.39 | 52.90 | 1,407.44 | 24.43 | 39.19 | 12.95 | 10.90 | 53.62 | 7,590.21 | 21.13 | |
| As at 31 March 2023 | 132.24 | 1,843.90 | 3,523.13 | 48.06 | 1,247.83 | 18.10 | 29.07 | 8.21 | 14.17 | 37.19 | 6,901.89 | 16.72 | |

NOTES TO FINANCIAL STATEMENTS
Notes:

1 For Depreciation and amortisation refer accounting policy Note No. 33.5

2 Contractual Obligation

Refer Note No.35 for estimated amount of contracts remaining to be executed on capital account.

3 Impairment Loss

No provision for impairment loss is made during the year.

4 PPE pledged as security

Company has hypothecated / mortgaged all property plant and equipments and land building situated at C-18 Five Star MIDC Kagal, Dist. Kolhapur. Against the borrowings from Bank of Baroda, IndusInd Bank Ltd., Saraswat Coop. Bank Ltd., ICICI Bank Ltd. and HDFC Bank Ltd. On 3rd October 2022 Saraswat Coop. Bank Ltd. had taken over all outstanding loans vide their sanction letter No.SCB /ZONE VIII/SANCLET/2022-23/558 dated 27th July 2022, with Bank of Baroda including working capital loan.

5 Ageing Schedule for CWIP & Intangible Assets under Development

As at 31.03.2023

(A) Ageing Schedule for Capital Work In Progress (CWIP)

₹ in Lacs

| Capital Work in Progress | Less than 1 year | 1 to 2 years | 2 to 3 years | More than 3 years | Grand Total |
|-----------------------------------------------|------------------|---------------|---------------|-------------------|-----------------|
| Project Description | | | | | |
| 1. Projects in Progress | | | | | |
| (a)Capacity expansion project | 348.81 | 333.51 | 320.93 | - | 1,003.25 |
| (b)Store building extension | 54.85 | 3.23 | - | - | 58.08 |
| (c)Cabin at Finishing Dept | 1.13 | - | - | - | 1.13 |
| (d)MK3 Planet Carrier holding fixture for HBM | 3.52 | - | - | - | 3.52 |
| (e)Leasehold Land 2 | - | 30.00 | - | - | 30.00 |
| (f) Quality Inspection | 0.32 | - | - | - | 0.32 |
| Total Projects in Progress | 406.83 | 368.54 | 320.93 | - | 1,096.29 |
| 2. Projects Temporarily Suspended | - | - | - | - | - |

(B) Intangible Assets under development

₹ in Lacs

| Intangible Assets under development | Less than 1 year | 1 to 2 years | 2 to 3 years | More than 3 years | Grand Total |
|-------------------------------------|------------------|--------------|--------------|-------------------|-------------|
| Project Description | | | | | |
| 1. Projects in Progress | - | - | - | - | - |
| Total Projects in Progress | - | - | - | - | - |
| 2.Projects Temporarily Suspended | - | - | - | - | - |

As at 31.03.2022

(A) Ageing Schedule for Capital Work In Progress (CWIP)

₹ in Lacs

| Capital Work in Progress | Less than 1 year | 1 to 2 years | 2 to 3 years | More than 3 years | Grand Total |
|------------------------------------------|------------------|--------------|--------------|-------------------|---------------|
| Project Description | | | | | |
| 1. Projects in Progress | | | | | |
| (a) Capacity expansion project | 617.77 | 66.66 | - | - | 684.44 |
| (b) Store building extension | - | 3.23 | - | - | 3.23 |
| (c) Cabin at Finishing Dept | - | 1.80 | - | - | 1.80 |
| (d) MK3 Hub mould box no 01 modification | 0.12 | - | - | - | 0.12 |
| Total Projects in Progress | 617.89 | 71.69 | - | - | 689.59 |
| 2.Projects Temporarily Suspended | - | - | - | - | - |

NOTES TO FINANCIAL STATEMENTS
(B) Intangible Assets under development

₹ in Lacs

| Intangible Assets under development | Less than 1 year | 1 to 2 years | 2 to 3 years | More than 3 years | Grand Total |
|-------------------------------------|------------------|--------------|--------------|-------------------|-------------|
| Project Description | - | - | - | - | - |
| 1. Projects in Progress | - | - | - | - | - |
| Total Projects in Progress | - | - | - | - | - |
| 2. Projects Temporarily Suspended | - | - | - | - | - |

Completion Schedule for Projects Overdue or Exceeded Cost Estimate
As at 31.03.2023

₹ in Lacs

| CWIP/Intangible Assets under Development | To be completed in | | | |
|------------------------------------------|--------------------|--------------|--------------|------------------|
| | Less than 1 year | 1 to 2 years | 2 to 3 years | 3 years and more |
| Project in progress | NIL | | | |
| Project suspended | NIL | | | |

As at 31.03.2022

₹ in Lacs

| CWIP/Intangible Assets under Development | To be completed in | | | |
|------------------------------------------|--------------------|--------------|--------------|------------------|
| | Less than 1 year | 1 to 2 years | 2 to 3 years | 3 years and more |
| Project in progress | NIL | | | |
| Project suspended | NIL | | | |

Title deeds of Immovable Properties not held in name of the Company
As at 31.03.2023

₹ in Lacs

| Relevant line item in Balance Sheet | Description of item of property | Gross carrying value | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director | Property held since which date | Reason for not being held in the |
|-------------------------------------|---------------------------------|----------------------|---------------------------------|---------------------------------------------------------------------------------------------------------------------|--------------------------------|----------------------------------|
| Property Plant and Equipment | - | - | - | - | - | - |
| Property Plant and Equipment | - | - | - | - | - | - |

As at 31.03.2022

₹ in Lacs

| Relevant line item in Balance Sheet | Description of item of property | Gross carrying value | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director | Property held since which date | Reason for not being held in the |
|-------------------------------------|---------------------------------|----------------------|---------------------------------|---------------------------------------------------------------------------------------------------------------------|--------------------------------|----------------------------------|
| Property Plant and Equipment | - | - | - | - | - | - |
| Property Plant and Equipment | - | - | - | - | - | - |

NOTES TO FINANCIAL STATEMENTS
NOTE 2: FINANCIAL ASSETS : INVESTMENTS

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------------------------------------------|-------------------------|-------------------------|
| 1. Investment at Fair Value through Other Comprehensive Income | | |
| a. Equity Shares | 0.25 | - |
| Total | 0.25 | - |

1. Refer Note-38 for Financial assets at fair value through other comprehensive income- unquoted equity instruments.
2. Refer Note-38A on risk management objectives and policies for financial instruments.

NOTE 3: FINANCIAL ASSETS : OTHER (NON CURRENT)

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------------------------|-------------------------|-------------------------|
| 1. Security deposits (Unsecured, considered good) | 14.27 | 14.27 |
| 2. Income Tax Refund Receivable | 1.01 | 1.01 |
| 3. Advance To Gratuity Trust | 0.15 | 0.15 |
| Total | 15.44 | 15.44 |

1. No Advances are given to Directors or other officers of the company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.
2. Other financial assets are measured at amortised cost.
3. Refer Note no.38 on risk management objectives and policies for financial instruments.

NOTE 4: OTHER NON-CURRENT ASSETS

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------------------------------|-------------------------|-------------------------|
| 1. Capital advances | 79.27 | 147.86 |
| 2. GST, Central Excise & Service Tax (Under protest) | 60.25 | 36.29 |
| 3. Income Tax Refund Receivable | | |
| a. Advance Income Tax | 58.07 | 115.27 |
| Less: Provision for Income Tax deducted (as per Contra) | (49.23) | (49.23) |
| Total | 148.36 | 250.19 |

NOTES TO FINANCIAL STATEMENTS
NOTE 5: INVENTORIES

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------------|-------------------------|-------------------------|
| 1. Raw materials | | |
| a. Raw materials and components | 881.48 | 1376.42 |
| b. Raw materials in transit ₹ in Lacs | - | - |
| | 881.48 | 1376.42 |
| 2. Pattern Stock | 358.28 | 344.11 |
| 3. Work-in-progress | 3,835.89 | 3,227.55 |
| 4. Finished goods | | |
| a. Finished goods | 202.60 | 188.46 |
| b. Finished goods in Transit | 472.66 | 415.63 |
| | 675.26 | 604.09 |
| 5. Stores and spares | 561.65 | 512.63 |
| Total | 6,312.56 | 6,064.85 |

- Inventories written down to net realisable value during the year ended 31 March 2023, Rs.7.78 Lakhs (Previous Year Rs.40.25 Lakhs) were recognised as an expense in the statement of profit and loss during the year.
- The above inventories are hypothecated to Bankers for working capital facility.

NOTE 6 : FINANCIAL ASSETS : TRADE RECEIVABLES

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------------------------------------|-------------------------|-------------------------|
| 1. Total Trade Receivables | | |
| Trade receivables [Refer note (1) below] | 2,207.49 | 3,236.81 |
| Break-up for security details: | | |
| Secured, considered good | - | - |
| Unsecured, considered good | 2,201.21 | 3,236.81 |
| Doubtful credit impaired | 99.45 | 87.45 |
| Loss Allowance (allowance for bad and doubtful debts) | (93.17) | (87.45) |
| Total | 2,207.49 | 3,236.81 |

- Trade receivables are measured at amortised cost.
- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Trade or other receivables due from firms or private companies respectively in which any director is a partner, a director or a member Rs. Nil (Previous year Rs. Nil)
- Trade receivables are non-interest bearing and generally on terms of 90 to 120 days.
- Movement of impairment Allowance (allowance for bad and doubtful debts)

₹ in Lacs

| Particulars | Amount |
|--------------------------|--------------|
| At 1 April 2021 | 8.75 |
| Provided during the year | 78.70 |
| At 31 March 2022 | 87.45 |
| Provided during the year | 5.72 |
| At 31 March 2023 | 93.17 |

NOTES TO FINANCIAL STATEMENTS

5. Refer Note 38A & 38B on credit risk of trade receivables, which explains how the Company manages and measures credit quality of trade receivables that are neither past due nor impaired.
6. We have entered into factoring agreement with India Factoring and Finance Solutions Pvt. Ltd. wherein we have factored export receivables without recourse to us hence invoice amount which is not factored has been shown as trade receivables and same is included above.

Also, in case of domestic debtors we have entered into factoring agreement with India Factoring and Finance Solutions Pvt. Ltd. with recourse to us, hence amount factored is included in trade receivables above. ₹ in Lacs

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|------------------------------------------------------------------------------------|----------------|------------------------------------------------------------|------------------|-------------|-----------|-------------------|-----------------|
| | | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | |
| As at 31st March 2023 | | | | | | | |
| (i) Undisputed Trade receivables – considered good | 2015.53 | 160.75 | 19.04 | 5.89 | - | - | 2201.21 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables – considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | 99.45 | 99.45 |
| Less: Loss allowance | - | - | - | - | - | (93.17) | (93.17) |
| Total | 2015.53 | 160.75 | 19.04 | 5.89 | - | 6.28 | 2,207.49 |

₹ in Lacs

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|------------------------------------------------------------------------------------|-----------------|------------------------------------------------------------|------------------|--------------|-----------|-------------------|-----------------|
| | | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | |
| As at 31st March 2022 | | | | | | | |
| (i) Undisputed Trade receivables – considered good | 2,844.45 | 319.83 | 1.65 | 70.88 | - | - | 3,236.81 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables – considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | 87.45 | 87.45 |
| Less: Loss allowance | - | - | - | - | - | (87.45) | (87.45) |
| Total | 2,844.45 | 319.83 | 1.65 | 70.88 | - | - | 3,236.81 |

NOTES TO FINANCIAL STATEMENTS
NOTE 7a : CASH AND CASH EQUIVALENTS

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------------------------------------|-------------------------|-------------------------|
| 1. Balance with Bank | | |
| a. Current accounts and debit balance in cash credit accounts | 26.55 | 7.41 |
| 2. Cash on hand | 2.36 | 1.21 |
| Total | 28.91 | 8.62 |

NOTE 7b : OTHER BANK BALANCES

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------------------------------------------------------------|-------------------------|-------------------------|
| 1. Deposits with original maturity of more than three months but less than 12 months | 579.01 | 183.79 |
| Total | 579.01 | 183.79 |

1. Refer Note No.38A on risk management objectives and policies for financial instruments.

NOTE 8 : FINANCIAL ASSETS : OTHER (CURRENT)

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------|-------------------------|-------------------------|
| 1. Export incentive receivable | 30.06 | 57.00 |
| 2. Factoring Loans and advances | 66.99 | 106.64 |
| 3. GST Refund receivable | 148.71 | 171.34 |
| Total | 245.76 | 334.98 |

Notes :

- Other financial assets are measured at amortised cost.
- Refer Note No.38A on risk management objectives and policies for financial instruments.

NOTE 9 : OTHER CURRENT ASSETS

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|------------------------------------------------------------|-------------------------|-------------------------|
| 1. Advance to suppliers | 171.59 | 70.34 |
| 2. Staff Advances | 0.05 | 1.29 |
| 3. Balance with collectorate of central excise and customs | | |
| a. Sales tax / VAT / service tax receivable (net) | 1.75 | 0.25 |
| b. GST Receivable | 317.34 | 812.70 |
| 4. Prepaid expenses | 129.22 | 137.95 |
| 5. Other Current Assets | 3.96 | - |
| Total | 623.91 | 1,022.53 |

NOTES TO FINANCIAL STATEMENTS
NOTE 10: SHARE CAPITAL

Authorised share capital Equity shares of Rs 10 each

₹ in Lacs

| Particulars | No. of shares | Amount |
|-------------------------------------|---------------|----------|
| At 1 April 2021 | 150.00 | 1,500.00 |
| Increase/(decrease) during the year | - | - |
| At 31 March 2022 | 150.00 | 1,500.00 |
| Increase/(decrease) during the year | 20.00 | 200.00 |
| At 31 March 2023 | 170.00 | 1,700.00 |

The Company has only one class of equity shares having a par value of Rs 10 each. Each equity shareholder is entitled to one vote per share and has a right to receive dividend as recommended by Board of Directors subject to the necessary approval from the shareholders.

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.

Issued and subscribed share capital Equity shares of Rs 10 each

₹ in Lacs

| Particulars | No. of shares | Amount |
|-------------------------|---------------|----------|
| As at 1 April 2021 | 141.30 | 1,413.00 |
| Changes during the year | - | - |
| As at 31 March 2022 | 141.30 | 1,413.00 |
| Changes during the year | - | - |
| As At 31 March 2023 | 141.30 | 1,413.00 |

Terms / Rights attached to equity shares

Each member present in person shall have one vote, the voting right of the members shall be in proportion to his share in the paid up equity share capital of the company and has a right to receive dividend as recommended by the Board of Directors subject to the necessary approval from the shareholders. 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. For the year ended March 31, 2023 the Board of Directors has not proposed any dividend (Previous year Nil).

Number of Shares held by each shareholder holding more than 5% Shares in the Company

| Name of the Shareholder | As At 31 March 2023 | | As at 31 March 2022 | |
|-------------------------------------------------------------|---------------------|--------------------|---------------------|--------------------|
| | No. of shares | % of share-holding | No. of shares | % of share-holding |
| S. B. Reshellers Pvt. Ltd. | 54.10 | 38.29% | 54.10 | 38.29% |
| Radhika Sanjeev Shirgaokar & Sohan Sanjeev Shirgaokar | 7.42 | 5.25% | 7.42 | 5.25% |
| Radhika Sanjeev Shirgaokar & Chandan Sanjeev Shirgaokar | 7.42 | 5.25% | 7.42 | 5.25% |
| Sachin Rajendra Shirgaokar & Laxmi Sachin Shirgaokar | 7.40 | 5.24% | 7.40 | 5.24% |
| Vendavagali Srinivasa Reddy & Sou. Vendavagali Kuberi Reddy | 14.66 | 10.37% | 15.10 | 10.69% |
| Massachusetts Institute of Technology | 8.36 | 5.92% | 13.96 | 9.88% |

As per records of the Company, including its register of shareholders and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

NOTES TO FINANCIAL STATEMENTS

Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date :

- The Company has not issued any shares without payment being received in cash.
- The Company has not issued any bonus shares.
- The Company has not undertaken any buyback of shares.

Promoters' shareholding

| Name of Promoter Shareholder | As At 31 March 2023 | | |
|------------------------------|---------------------|--------------------|--------------------------|
| | No. of shares | % of share holding | % change during the year |
| S. B. Reshellers Pvt. Ltd. | 54.10 | 38.29% | 0.00% |
| Sachin Rajendra Shirgaokar | 7.40 | 5.24% | 0.00% |
| Sohan Sanjeev Shirgaokar | 1.20 | 0.85% | 0.00% |
| Vendavagali Srinivasa Reddy | 14.66 | 10.37% | -0.32% |

Promoters' shareholding

| Name of Promoter Shareholder | As at 31 March 2022 | | |
|------------------------------|---------------------|--------------------|--------------------------|
| | No. of shares | % of share holding | % change during the year |
| S. B. Reshellers Pvt. Ltd. | 54.10 | 38.29% | 0.00% |
| Sachin Rajendra Shirgaokar | 7.40 | 5.24% | 0.00% |
| Sohan Sanjeev Shirgaokar | 1.20 | 0.85% | 0.00% |
| Vendavagali Srinivasa Reddy | 15.10 | 10.69% | 0.00% |

NOTE 11: OTHER EQUITY

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------------|----------------------|----------------------|
| 1. SECURITIES PREMIUM | 2,255.72 | 2,255.72 |
| 2. RETAINED EARNINGS | | |
| Opening Balance | (252.34) | (366.96) |
| Add : Profit for the period | 86.72 | 142.81 |
| Add : Other Comprehensive income (Loss) | 8.12 | (28.19) |
| | (157.50) | (252.34) |
| Total | 2,098.22 | 2,003.38 |

Nature and purpose of reserves

A. Securities Premium:

Securities premium is a premium collected above face value on issue of shares. The reserve can be utilised in accordance with the provisions of the Act.

NOTES TO FINANCIAL STATEMENTS
NOTE 12: LONG-TERM BORROWINGS

₹ in Lacs

| Particulars | Interest rate | Current Maturity | As at 31-Mar-23 | As at 31-Mar-22 |
|-----------------------------------------------------------------------------------------|-----------------------------|------------------|-----------------|-----------------|
| TERM LOANS FROM BANKS, SECURED | | | | |
| Term loan from Bank of Baroda - Term Loan III | BOB Base Rate + 3.00% | - | - | 343.71 |
| Term loan from Bank of Baroda - Term Loan IV | BOB Base Rate + 3.00% | - | - | 146.35 |
| Term loan from Bank of Baroda - Term Loan V (Foreign Currency Term Loan) | BOB Base Rate + 3.00% | - | - | 525.08 |
| Term loan from Bank of Baroda - Term Loan VI (Foreign Currency Term Loan) | BOB Base Rate + 3.00% | - | - | 378.99 |
| Working capital Term loan from Bank of Baroda - BGECL I | BRLLR +1% | - | - | 636.00 |
| Working capital Term loan from Bank of Baroda - BGECL II | BRLLR +1% | - | - | 580.00 |
| Term Loan from Indusind Bank (Account No. 510003494282) | 8.00% | 400.00 | 1,275.59 | 578.82 |
| Term Loan from Saraswat bank (Account No. 910000000043486) | PLR (-) 6% | 169.26 | 169.26 | - |
| Term Loan from Saraswat bank (Account No. 910000000043487) | PLR (-) 6% | 27.84 | 120.86 | - |
| Term Loan from Saraswat bank (Account No. 910000000043495) | PLR (-) 6% | 231.90 | 434.18 | - |
| Term Loan from Saraswat bank (Account No. 910000000043500) | PLR (-) 6.50% | 64.40 | 580.00 | - |
| Term Loan from Saraswat bank (Account No. 910000000043506) | PLR (-) 6% | 95.76 | 398.85 | - |
| Term Loan from Saraswat bank (Account No. 910000000043506) (Foreign Currency Term Loan) | Six Month SOFR + 2.50% | 81.36 | 339.31 | - |
| Vehicle loan from ICICI Bank Ltd (Account No. 38638355) | ICICI Bank 11.01% | 2.10 | 2.10 | 4.19 |
| Vehicle loan from ICICI Bank Ltd. (Account No. 41944471) | ICICI Bank 9.30% | 5.06 | 12.49 | 17.15 |
| | | 1,077.68 | 3,332.65 | 3,210.28 |
| Less: Current maturities of non current borrowings | | | 1,077.68 | 733.72 |
| Sub Total | Sub total (a) | | 2,254.97 | 2,476.56 |
| TERM LOANS FROM FINANCIAL INSTITUTION, SECURED | | | | |
| Vehicle loan from Toyota Financial Services India Ltd. | | 9.75 | 18.84 | 28.07 |
| Sub Total | Sub total | 9.75 | 18.84 | 28.07 |
| Less: Current maturities of non current borrowings | | - | 9.75 | 9.04 |
| Sub Total | Sub total (b) | | 9.09 | 19.03 |
| | A] Sub total (a)+(b) | | 2,264.06 | 2,495.59 |
| UNSECURED LOANS | | | | |
| Deposits | | | 1,028.07 | 1,144.57 |
| Sub Total | Sub total | | 1,028.07 | 1,144.57 |
| Less: Current maturities of non current borrowings | | | 157.07 | 390.00 |
| Sub Total | B] Sub total (c) | | 871.00 | 754.57 |
| PREFERENCE SHARE CAPITAL | C] | | 1,071.00 | 1,071.00 |
| | [A+B+C] | | 4,206.06 | 4,321.16 |

NOTES TO FINANCIAL STATEMENTS
Principal terms, security and repayment schedule of long term secured loans

Term Loan - III, IV, V,VI and BOB Guaranteed Emergency Credit Line (BGECL) I and II from Bank of Baroda (BOB) were obtained from time to time for construction of new factory building and purchase of imported as well as indigenous machineries etc. These loans were secured by hypothecation of plant & machineries, and equitable mortgage of factory land and building at Kagal location. Charge over current assets was created as Collateral security. Entire amount was personally guaranteed, jointly and severally, by Chairman and Managing Director, Jt. Managing Director and Executive Director of the Company and Corporate Guarantee was issued by S.B.Reshellers Pvt. Ltd. Bank of Baroda had reviewed the term loan account of the Company and issued sanction letter on 16.03.2016.

These all term loans were taken over by Saraswat Co-operative Bank Ltd. on 3rd Oct. 2022 vide Sanction Letter No. SCB / ZONE VIII/SANCLET/2022-23/558 Dated 27th July 2022 and balance outstanding was repaid in full along with accumulated interest as on 3rd Oct. 2022.

Vehicle Loan from HDFC Bank Ltd. is secured by hypothecation of Vehicles, which is repayable in 60 monthly instalments and last instalment is falling due on 7th October 2021. Rate of Interest 9.30% p.a.

Vehicle Loan from ICICI Bank Ltd. is secured by hypothecation of Vehicles, which is repayable in 60 monthly instalments and last instalment is falling due on 1st February 2024. Rate of Interest 9.30% p.a.

Deposits accepted during the year from Directors, relatives of Directors and Companies and are repayable on maturity @ 10% p.a.interest. (Previous Year 11% p.a.)

| Name of Bank | Loan Availed/ Sanctioned ₹ in Lacs | Repayment Details | Last Instalment |
|------------------------------------------------------------|------------------------------------------|----------------------------------------------------|---------------------------------|
| Term Loan from Indusind Bank (Account No. 510003494282) | 1,275.59 | 15 Quarterly Instalments of Rs. 79.72 Lacs each | Rs. 79.72 Lacs during Jan 27 |

This loans was secured by hypothecation of plant & machineries, and equitable mortgage of factory land and building. Charge over current assets was created as Collateral security. First Pari passu charge on entire fixed assets (Both Present and Future) of the Company with Saraswat Co-operative Bank Ltd and second Pari passu charge on hypothecation of entire current assets.

Entire amount was personally guaranteed, jointly and severally, by Chairman and Managing Director, Jt. Managing Director and Executive Director of the Company

| Name of Bank | Loan Availed/ Sanctioned ₹ in Lacs | Repayment Details | Last Instalment |
|-----------------------------------------------------------------------------------------------|------------------------------------------|--------------------------------------------------|---------------------------------|
| Saraswat Co-operative Bank | | | |
| Term Loan Account No. | | | |
| Term Loan from Saraswat bank (Account No. 910000000043486) | 244.26 | 16 Monthly instalments of Rs. 15 Lacs each | Rs. 4.26 Lacs during Mar. 24 |
| Term Loan from Saraswat bank (Account No. 910000000043487) | 132.46 | 57 Monthly instalments of Rs. 2.32 Lacs each | Rs. 0.22 Lacs during Jul 27 |
| Term Loan from Saraswat bank (Account No. 910000000043495) | 530.80 | 27 Monthly instalments of Rs. 19.33 each | Rs. 9.03 Lacs during Feb 25 |
| Term Loan from Saraswat bank (Account No. 910000000043500) | 580.42 | 36 Monthly instalments of Rs. 16.10 Lacs each | Rs. 0.82 Lacs during Nov 26 |
| Term Loan from Saraswat bank (Account No. 910000000043506) | 438.75 | 54 Monthly instalments of Rs. 7.98 Lacs each | Rs. 7.83 Lacs during May 27 |
| Term Loan from Saraswat bank (Account No. 910000000043515) (Foreign Currency Term Loan) | 4.46 | 55 Monthly instalments of USD 0.08 Lacs each | Rs. 0.004 Lacs during May 27 |

This loans was secured by hypothecation of plant & machineries, and equitable mortgage of factory land and building at Kagal location. Charge over current assets was created as Collateral security. First Pari passu charge on entire fixed assets (Both Present and Future) of the Company with Indusind Bank Ltd and second Pari passu charge on hypothecation of entire current assets at Kagal Location.

NOTES TO FINANCIAL STATEMENTS
Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year ended March 31, 2023 ₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------|-------------------------|-------------------------|
| Cash and Cash Equivalents | 28.91 | 8.62 |
| Non-Current Borrowings | (4,206.06) | (4,321.16) |
| Current Borrowings | (4,160.19) | (3,919.07) |
| Total | (8,337.34) | (8,231.61) |

| Particulars | Cash & Cash Equivalents | Borrowings | Total |
|--------------------------------------|----------------------------|-----------------|-----------------|
| Net Debt As on April 1, 2021 | 215.91 | 7,587.43 | 7,371.52 |
| Cash Flows | (207.29) | 690.60 | 897.89 |
| Foreign Exchange Adjustment | - | - | - |
| Interest paid | - | 1,111.97 | 1,111.97 |
| Interest and Other Expenses | - | (1,149.77) | (1,149.77) |
| Net Debt As on March 31, 2022 | 8.62 | 8,240.23 | 8,231.61 |
| Cash Flows | 20.29 | 248.51 | 228.22 |
| Foreign Exchange Adjustment | - | - | - |
| Interest paid | - | 1,285.38 | 1,285.38 |
| Interest and Other Expenses | - | (1,407.87) | (1,407.87) |
| Net Debt As on March 31, 2023 | 28.91 | 8,366.25 | 8,337.34 |

NOTE 12 a: Disclosure pertaining to Preference share capital

Authorised share capital - Preference shares of Rs 100 each

₹ in Lacs

| Particulars | No. of shares | Amount |
|-------------------------------------|---------------|----------|
| At 1 April 2021 | 13.00 | 1,300.00 |
| Increase/(decrease) during the year | - | - |
| At 31 March 2022 | 13.00 | 1,300.00 |
| Increase/(decrease) during the year | - | - |
| At 31 March 2023 | 13.00 | 1,300.00 |

Issued and subscribed share capital Preference shares of Rs 100 each

₹ in Lacs

| Particulars | No. of shares | Amount |
|----------------------------|---------------|----------|
| As at 1 April 2021 | 10.71 | 1,071.00 |
| Changes during the year | - | - |
| As at 31 March 2022 | 10.71 | 1,071.00 |
| Changes during the year | - | - |
| As at 31 March 2023 | 10.71 | 1,071.00 |

Each Share shall confer on the holders thereof, the right to a fixed preferential dividend from the date of allotment, at a rate of 10%, on the capital for the time being paid up or credited as paid up thereon. With effect from April 1, 2019 Preference Shares class was changed from Non - cumulative to Cumulative. Each share has priority to the equity share of the company, but shall not confer any further or other right to participate either in profits or assets of the Company. The shares are redeemable at any time after completion of one year but within twenty years from the date of allotment. As per Section 47 of The Companies Act, if the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all the resolutions placed before the company.

NOTES TO FINANCIAL STATEMENTS
Number of Shares held by each shareholder holding more than 5% Shares in the Company

| Name of the Shareholder | As At 31 March 2023 | | As at 31 March 2022 | |
|----------------------------|---------------------|--------------------|---------------------|--------------------|
| | No. of shares | % of share-holding | No. of shares | % of share-holding |
| S. B. Reshellers Pvt. Ltd. | 5.96 | 55.65% | 5.96 | 55.65% |
| The Ugar Sugar Works Ltd | 4.75 | 44.35% | 4.75 | 44.35% |

Reconciliation of Share Capital

₹ in Lacs

| Particulars | As At 31 March 2023 | | As at 31 March 2022 | |
|---------------------------------------------------------------------|---------------------|----------|---------------------|----------|
| | No. of Shares | Amount | No. of shares | Amount |
| Number of shares outstanding as at the beginning of the year | 10.71 | 1,071.00 | 10.71 | 1,071.00 |
| Add: No. of shares issued during the year | - | - | - | - |
| Less: Number of shares redeemed during the year | - | - | - | - |
| Number of shares outstanding as at the end of the year | 10.71 | 1,071.00 | 10.71 | 1,071.00 |

Promoters' shareholding

| Name of Promoter Shareholder | As At 31 March 2023 | | |
|------------------------------|---------------------|--------------------|--------------------------|
| | No. of shares | % of share-holding | % change during the year |
| S. B. Reshellers Pvt. Ltd. | 5.96 | 55.65% | - |

Promoters' shareholding

| Name of Promoter Shareholder | As At 31 March 2022 | | |
|------------------------------|---------------------|--------------------|--------------------------|
| | No. of shares | % of share-holding | % change during the year |
| S. B. Reshellers Pvt. Ltd. | 5.96 | 55.65% | - |

NOTE 13: FINANCIAL LIABILITIES : OTHERS (NON CURRENT)

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------|----------------------|----------------------|
| 1. Deposits from contractors | 0.12 | 0.12 |
| 2. Preference Dividend Payable | 428.40 | 321.30 |
| Total | 428.52 | 321.42 |

Notes :

- Other financial liabilities are measured at amortised cost.
- For explanations on the Company's Interest risk, Foreign currency risk and liquidity risk management processes, refer to Note 38A.

NOTE 14 : LONG-TERM PROVISIONS

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|------------------------------------|----------------------|----------------------|
| 1. Provision for employee benefits | | |
| a. Provision for leave encashment | 66.74 | 60.93 |
| Total | 66.74 | 60.93 |

NOTES TO FINANCIAL STATEMENTS
NOTE 15 : DEFERRED TAX LIABILITY (NET)

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------------------|-------------------------|-------------------------|
| 1. Deferred Tax Assets | | |
| a. Provision for Doubtful debts & advances | 26.47 | 22.01 |
| b. Ind AS Adjustment | - | - |
| c. Disallowances u/s 43 B of Income Tax Act | 43.57 | 35.62 |
| d. Unabsorbed Depreciation | - | - |
| e. Carried Forward Loss | 11.54 | 44.16 |
| Total Deferred Tax Asset | 81.58 | 101.79 |
| 2. Less : Deferred Tax Liability | | |
| a. Depreciation | (110.13) | (137.98) |
| b. Ind AS Adjustment | - | (7.08) |
| Total Deferred Tax Liability | (110.13) | (145.06) |
| Total | (28.55) | (43.27) |

1. Reconciliation of deferred tax assets / (liabilities), net

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------------------------------------------------|-------------------------|-------------------------|
| Opening balance as of 1 April | 43.27 | (111.06) |
| Tax income/(expense) during the year recognised in profit or loss | (17.45) | 163.81 |
| Tax income/(expense) during the year recognised in OCI | 2.73 | (9.48) |
| Closing balance as at 31 March | 28.55 | 43.27 |

- The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- There is no change in the applicable tax rate of 25.168% compare to the previous year (31 March 2022: 25.168%)
- During the year ended 31 March 2023 and 31 March 2022, the Company has not paid dividend to its shareholders.

NOTE 16 : SHORT TERM BORROWINGS

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------------------------|-------------------------|-------------------------|
| 1. Interest bearing borrowings from Banks | | |
| a. Cash credit | 1,867.77 | 1,485.36 |
| b. Packing Credit | - | 276.06 |
| c. Bills Payable | 1,047.92 | 1,024.90 |
| | 2,915.69 | 2,786.32 |
| 2. Current Maturities of Long Term Debt | | |
| a. From Banks | 1,077.68 | 733.72 |
| b. From Others | 166.82 | 399.03 |
| | 1,244.50 | 1,132.75 |
| Total | 4,160.19 | 3,919.07 |
| Aggregate secured borrowings | 4,003.12 | 3,529.07 |
| Aggregate unsecured borrowings | 157.07 | 390.00 |

NOTES TO FINANCIAL STATEMENTS

- Borrowings are measured at amortised cost.
- Cash Credit from Bank of Baroda is secured against Hypothecation of stock, book debts, current and future, and collateral security in nature of equitable mortgage of factory land and building and extended charge on Plant and Machineries of the Company. Entire amount has been personally guaranteed, jointly and severally, by Managing Director, Jt. Managing Director, Executive Director and Corporate Guarantee by S.B.Reshellers Pvt. Ltd. The cash credit is repayable on demand and carries rate of interest at MCLR+3.25% p.a.

This Cash Credit loan is taken over by Saraswat Co-operative Bank Ltd. on 3rd Oct. 2022 vide Sanction Letter No. SCB / ZONE VIII/SANCLET/2022-23/558 Dated 27th July 2022 and balance outstanding was repaid in full along with accumulated interest as on 3rd Oct. 2022 and same is secured against Hypothecation of stock, book debts, current and future, and collateral security in nature of equitable mortgage of factory land and building and extended charge on Plant and Machineries of the Company.
- There is no continuing default, as at the balance sheet date, in repayment of any of the above loans & interest thereon.
- For explanations on the company's Interest risk, foreign currency risk and liquidity risk management processes, refer to Note 38A.
- Quarterly returns or statements filed with bank are in arrangement with the books of accounts.

NOTE 17 : FINANCIAL LIABILITIES : TRADE AND OTHER PAYABLES

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------------------------------|-------------------------|-------------------------|
| 1. Acceptances | 909.05 | 1,057.60 |
| 2. Due to micro, small and medium enterprises | 52.26 | 54.06 |
| 3. Due to other than micro, small and medium enterprises | 4,242.69 | 5,364.02 |
| Total | 5,204.00 | 6,475.68 |

- Trade and other payables are measured at amortised cost.
- For terms and conditions with related parties, refer to Note 37.
- For explanations on the Company's Foreign currency risk and liquidity risk management processes, refer to Note 38A.

Disclosure requirement for Current Trade payables

₹ in Lacs

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | Total |
|--------------------------|---------|------------------------------------------------------------|-----------|-----------|-------------------|-----------------|
| | | Less Than 1 year | 1-2 Years | 2-3 Years | More than 3 years | |
| As at March 2023 | | | | | | |
| 1. MSME | - | 52.26 | - | - | - | 52.26 |
| 2. Acceptances | - | 909.05 | - | - | - | 909.05 |
| 3. Others | - | - | - | - | - | - |
| a) external parties | - | 4,168.18 | - | - | - | 4,168.18 |
| b) related parties | - | 74.51 | - | - | - | 74.51 |
| 4. Disputed Dues – MSME | - | - | - | - | - | - |
| 5. Dispute Dues - Others | - | - | - | - | - | - |
| Total | - | 5,204.00 | - | - | - | 5,204.00 |

NOTES TO FINANCIAL STATEMENTS

₹ in Lacs

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | Total |
|--------------------------|---------|------------------------------------------------------------|-------------|-----------|-------------------|-----------------|
| | | Less Than 1 year | 1-2 Years | 2-3 Years | More than 3 years | |
| As at March 2022 | | | | | | |
| 1. MSME | - | 54.06 | - | - | - | 54.06 |
| 2. Acceptances | - | 1,041.49 | - | - | - | 1,041.49 |
| 3. Others | - | - | - | - | - | - |
| a) external parties | - | 5,220.20 | 2.30 | - | - | 5,222.50 |
| b) related parties | - | 157.63 | - | - | - | 157.63 |
| 4. Disputed Dues – MSME | - | - | - | - | - | - |
| 5. Dispute Dues - Others | - | - | - | - | - | - |
| Total | - | 6,473.38 | 2.30 | - | - | 6,475.68 |

Terms and conditions of the above Trade payables:

Trade payables including related parties are non-interest bearing and having average term of 6 months except retention money payable.

NOTE 18 : FINANCIAL LIABILITIES : OTHER (CURRENT)

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------------------|----------------------|----------------------|
| 1. Interest accrued but not due on borrowings | 15.39 | - |
| 2. Payable for capital purchases | | |
| a. To MSME | 23.58 | 0.78 |
| b. To Others | 39.47 | 225.96 |
| 3. Employee benefits payable | 126.00 | 115.91 |
| 4. Security Deposits of Civil Contractors | 10.26 | 16.32 |
| 5. Other financial liabilities | 236.40 | 224.15 |
| Total | 451.10 | 583.12 |

1. Other financial liabilities are measured at amortised cost.

2. For explanations on the Company's Interest risk, Foreign currency risk and liquidity risk management processes, refer to Note 38A.

NOTE 19 : OTHER CURRENT LIABILITIES

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------------------------------------------|----------------------|----------------------|
| 1. Advance from customers | 27.25 | 179.14 |
| 2. Other payables | | |
| a. Statutory dues including provident fund and tax deducted at source | 27.53 | 35.43 |
| | 27.53 | 35.43 |
| Total | 54.78 | 214.57 |

NOTES TO FINANCIAL STATEMENTS
NOTE 20 : SHORT-TERM PROVISIONS

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------------------|-------------------------|-------------------------|
| 1. Provision for employee benefits | | |
| a. Provision for gratuity (Refer note no. 36) | 13.78 | 28.17 |
| b. Provision for leave encashment | 6.90 | 5.88 |
| | 20.68 | 34.05 |
| 2. Other Provisions | | |
| a. Provision for warranty | 44.75 | 28.47 |
| | 44.75 | 28.47 |
| Total | 65.43 | 62.51 |

1. Employee benefits obligations
a. Gratuity

The Company provides gratuity for employees as per the Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity is payable on retirement or termination whichever is earlier. The level of benefits provided depends on the member's length of service and salary at retirement age. The gratuity plan is funded plan.

b. Pension, post retirement medical benefit and long term award benefits

The Company provides certain post-employment medical scheme and long term award benefits to employees (unfunded). For long-term award scheme, the Company has defined certain eligibility criteria and grade-wise benefit available to employees and is payable only at time of separation. Pension and medical benefits are payable to employees for 15 years after retirement.

c. Compensated absences

The leave obligation covers the Company's liability for earned leaves. Also refer Note 36 for detailed disclosure.

2. Others

- a. Warranty is given to customers at the time of sale of castings manufactured. In case of subsequent casting rejections the same are rectified / replaced based on mutual discussion with customers.

Movement of warranty provision :

₹ in Lacs

| Particulars | Amounts |
|---------------------------|---------|
| At 1 April 2021 | - |
| Arising during the year | 28.47 |
| Utilised | - |
| Unused amount reversed | - |
| At 31 March 2022 | 28.47 |
| Arising during the year | 44.75 |
| Utilised | 28.47 |
| Unused amount reversed | - |
| At 31st March 2023 | 44.75 |

NOTES TO FINANCIAL STATEMENTS
NOTE 21 : REVENUE FROM OPERATIONS

₹ in Lacs

| Particulars | As at 31-Mar-23 | As at 31-Mar-22 |
|---------------------------------------------------|--------------------|--------------------|
| 1. Revenue from Contract with Customers | | |
| a. Sale of products | | |
| i. Windmill Castings | 20,558.83 | 20,691.91 |
| ii. Other Castings | 8,027.88 | 6,779.73 |
| b. Service Charges | | |
| i. Sale of services | 19.40 | 15.12 |
| Total Revenue from Contract with Customers | 28,606.11 | 27,486.76 |
| 2. Other Operating Revenues | | |
| a. Sale of Pattern | 199.15 | 771.89 |
| b. Export Incentive | 59.83 | 58.77 |
| c. Sale of Scrap | 106.08 | 59.85 |
| Total other operating Revenues | 365.06 | 890.51 |
| Total | 28,971.17 | 28,377.27 |

Details of revenue contributed by single customer that exceeds 10% of total revenue:

| Name of the Customer | 2022-23 | 2021-22 |
|------------------------------------------|---------|---------|
| Vestas Wind Technology India Pvt. Ltd. | 30.31% | 48.57% |
| Vestas Nacelles America Inc. | 5.12% | 13.66% |
| Siemens Gamesa Renewable Power Pvt. Ltd. | 24.42% | 10.66% |

NOTE 22 : OTHER INCOME

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------------------------------------|-------------------------|-------------------------|
| 1. Interest Income | | |
| a. On Income Tax and Sales Tax and VAT Refund | 2.89 | 17.89 |
| b. On Bank Deposits | 23.73 | 9.52 |
| | 26.62 | 27.41 |
| 2. Other | | |
| a. Net foreign currency exchange gain on transactions | 6.75 | 56.26 |
| b. Gain on disposal of property, plant and equipment | 10.29 | 30.75 |
| | 17.04 | 87.01 |
| Total | 43.66 | 114.42 |

NOTES TO FINANCIAL STATEMENTS
NOTE 23 : COST OF RAW MATERIALS CONSUMED

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|------------------------------|-------------------------|-------------------------|
| 1. Raw materials consumed | 13,051.98 | 12151.28 |
| 2. Pattern Material Consumed | 168.77 | 639.48 |
| Total | 13,220.75 | 12790.76 |

NOTE 24 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------------------|-------------------------|-------------------------|
| 1. Opening inventory (A) | | |
| a. Work-in-process | 3,227.55 | 3,120.81 |
| b. Finished goods | 188.46 | 148.46 |
| c. Finished goods in Transit | 415.63 | 97.03 |
| | 3,831.64 | 3,366.30 |
| 2. Closing Inventory (B) | | |
| a. Work-in-process | 3,835.89 | 3,227.55 |
| b. Finished goods | 202.60 | 188.46 |
| c. Finished goods in Transit | 472.66 | 415.63 |
| | 4,511.15 | 3,831.64 |
| Changes in inventory (A - B) | (679.51) | (465.34) |

NOTE 25 : EMPLOYEE BENEFITS EXPENSE

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------------------------------------|-------------------------|-------------------------|
| 1. Salaries, wages, bonus, commission, etc. | 1,121.98 | 1,042.56 |
| 2. Wages Contract Labour | 1,146.26 | 1,163.98 |
| 3. Gratuity (Refer Note 36) | 24.88 | 17.67 |
| 4. Contribution to provident and other funds (Refer Note 36) | 55.34 | 50.65 |
| 5. Welfare and training expenses | 70.16 | 65.53 |
| Total | 2,418.62 | 2,340.39 |

NOTE 26 : FINANCE COSTS

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------------------------------------------------------|-------------------------|-------------------------|
| 1. Interest Expense | | |
| a. Interest on Term Loan, CC and Bill discounting etc. | 1,121.14 | 866.14 |
| b. Preference Dividend on Redeemable Preference Shares | 107.10 | 107.10 |
| c. Net interest expense/(income) on defined benefit obligation (Refer Note 36) | 0.93 | (0.88) |
| d. Interest expense - others | 8.89 | 66.78 |
| | 1,238.06 | 1,039.14 |
| 2. Other borrowing cost | | |
| a. Bank Commission & Charges | 67.81 | 33.06 |
| b. Bank LC Charges | 36.41 | 52.34 |
| c. Bank Processing Charges | 65.59 | 25.23 |
| | 169.81 | 110.63 |
| Total | 1,407.87 | 1,149.77 |

NOTES TO FINANCIAL STATEMENTS
NOTE 27 : DEPRECIATION AND AMORTIZATION EXPENSE

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------------------------|-------------------------|-------------------------|
| 1. Depreciation and amortization expense | | |
| a. Depreciation on Property, Plant and Equipment | 1,189.05 | 1,014.46 |
| b. Amortization of Intangible assets | 9.90 | 49.47 |
| | 1,198.95 | 1,063.93 |
| 2. Amount written off against leasehold land | - | - |
| Total | 1,198.95 | 1,063.93 |

NOTE 28 : OTHER EXPENSES

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------------------|-------------------------|-------------------------|
| 1. Manufacturing expenses | | |
| a. Stores and Spares consumed | 4,355.21 | 3,535.48 |
| b. Power and fuel | 2,352.47 | 2,510.18 |
| c. Machinery spares | 83.16 | 82.72 |
| d. Repairs to machinery | 14.42 | 18.54 |
| e. Repairs to Building | 2.51 | 5.56 |
| f. Repairs to Others | 39.77 | 39.24 |
| g. Outside Labour Charges | 2,679.68 | 3,496.07 |
| h. Others manufacturing expenses | 103.60 | 121.71 |
| | 9,630.82 | 9,809.50 |
| 2. Selling expenses | | |
| a. Freight outward | 878.55 | 832.70 |
| b. Packing and forwarding | 470.86 | 255.73 |
| c. Provision for Warranty | 34.55 | 8.82 |
| d. Provision | 17.72 | 78.71 |
| e. Sales Rebate | - | 1.62 |
| | 1,401.68 | 1,177.58 |
| 3. Administration expenses | | |
| a. Rent | 69.42 | 56.63 |
| b. Rates and taxes | 55.10 | 49.87 |
| c. Insurance | 26.01 | 19.57 |
| d. Other repairs and maintenance | 20.28 | 23.53 |
| e. Travelling and conveyance | 54.71 | 31.97 |
| f. Communication expenses | 8.39 | 8.64 |
| g. Printing and stationery | 3.47 | 3.40 |
| h. Professional charges | 34.21 | 33.41 |
| i. Auditor's remuneration | | |
| i. Statutory Audit Fees | 2.55 | 3.30 |
| ii. Tax Audit Fees | - | - |
| iii. Limited Review Fees | - | - |
| iv. Certification Charges | 0.78 | 1.69 |
| v. Reimbursement of Expenses | - | - |
| j. Spend on CSR activities (Refer Note 41) | 10.00 | 12.00 |
| k. Directors' Sitting Fees | 2.45 | 2.85 |
| l. Miscellaneous expenses | 23.76 | 33.66 |
| m. Staff & Guest Expenses | 8.86 | 9.72 |
| n. Garden Expenses | 0.26 | 4.79 |
| o. Security Charges | 26.11 | 23.44 |
| | 346.36 | 318.47 |
| Total | 11,378.86 | 11,305.55 |

NOTES TO FINANCIAL STATEMENTS
NOTE 29 : Other comprehensive income not to be reclassified to profit or loss in subsequent periods: ₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------------------------------------------|-------------------------|-------------------------|
| 1. Re-measurement gains / (losses) on defined benefit plans | 10.85 | (37.67) |
| 2. Income tax effect on above | (2.73) | 9.48 |
| Total | 8.12 | (28.19) |

Note 30 : Income Tax and Deferred Tax
(1) The major components of income tax expense for the period ended 31 March 2023 and 31 March 2022 are:
(a) Profit or loss ₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------------------------------------------|-------------------------|-------------------------|
| Current income tax: | | |
| Current income tax charge | - | - |
| Deferred tax: | | |
| Relating to origination and reversal of temporary differences | (17.45) | 163.81 |
| Income tax expense reported in the statement of profit or loss | (17.45) | 163.81 |

(b) Other Comprehensive Income

Deferred tax related to items recognised in OCI during in the year: ₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------|-------------------------|-------------------------|
| Income tax charged to OCI | (2.73) | 9.48 |

(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022 ₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------------------------|-------------------------|-------------------------|
| Accounting profit before tax | 69.29 | 306.63 |
| At statutory income tax rate of 25.168% (a) | 17.44 | 77.17 |
| Adjustments | | |
| Preference Dividend Expense | 26.95 | 26.95 |
| Other Disallowance | (61.84) | 59.68 |
| Total (b) | (34.89) | 86.63 |
| Tax expenses at effective rate (a+b) | (17.45) | 163.81 |
| Total Tax expense as per books | (17.45) | 163.81 |

The companies effective tax rates for the year ended 31st March 2023 and 31st March 2022 were **-25.18%** and **53.42%**
(2) Movement in deferred tax
(a) Deferred tax relates to the following: DTL/ (DTA) ₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------------------------------------------|-------------------------|-------------------------|
| Property, plant and equipment (Depreciation) | 110.14 | 137.98 |
| Employee benefits - compensated absences | (43.57) | (35.62) |
| Provision for doubtful debts and advances | (26.48) | (22.01) |
| Carry Forward Loss | (11.54) | (44.16) |
| Others - (DTA)/DTL | - | 7.08 |
| Net deferred tax liabilities/(assets) other than MAT credit | 28.55 | 43.27 |

NOTES TO FINANCIAL STATEMENTS

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------------------|-------------------------|-------------------------|
| Property, plant and equipment (Depreciation) | (27.85) | 28.27 |
| Employee benefits - compensated absences | (7.95) | 5.62 |
| Provision for doubtful debts and advances | (4.46) | (19.81) |
| Carry Forward Loss | 32.62 | 80.24 |
| Others - (DTA)/DTL | (9.81) | 69.49 |
| Deferred tax expense/(income) | (17.45) | 163.81 |

(b) Reflected in balance sheet as

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------------------------------------------|-------------------------|-------------------------|
| Deferred tax asset | (81.58) | (94.71) |
| Deferred tax liability | 110.14 | 137.98 |
| Net deferred tax liabilities/(assets) other than MAT credit | 28.55 | 43.27 |

(3) Movement in current tax

₹ in Lacs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------------------------------------------------|-------------------------|-------------------------|
| Non Current tax (asset)/ liability as at beginning of period | (66.04) | (154.33) |
| Add : Refund Received during the year | 65.29 | 151.22 |
| Less : TDS credit of previous year | (8.09) | (62.93) |
| Current and Non Current tax (asset)/ liability as at end of period | (8.84) | (66.04) |

₹ in Lacs

| Reflected in balance sheet as | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------------------|-------------------------|-------------------------|
| Provision for income tax | - | - |
| Current advance tax | - | - |
| Non- current advance tax (net of provision) | (8.84) | (66.04) |
| Total | (8.84) | (66.04) |

NOTE 31. Corporate Information

Synergy Green Industries Limited ("the Company") is a public limited Company incorporated in 2010, had listed on BSE & NSE. Company has its corporate office situated at 392, E ward, Shahupuri, Kolhapur-416001 and the works is situated at Kagal - Hatkanangale Five Star Industrial Area, Kolhapur-416216.

The Company is engaged in the business of foundry i.e., manufacturing of wind turbine casting and other large precision castings. The Company started as a green filed foundry project during 2011 and entered in commercial operation in June 2012.

NOTE 32. Statement of Compliance

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

NOTE 33. Significant accounting policies
NOTE 33.1. Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair value by Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the company's functional currency. All financial information is presented in INR rounded to the nearest Lakhs except share and per share data, unless otherwise stated.

Exchange differences are recognized in the Statement of Profit and Loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalized as part of borrowing costs.

NOTES TO FINANCIAL STATEMENTS

NOTE 33.2. Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities and disclosure of the contingent liabilities at the end of each reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying value of assets or liabilities in future periods.

This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Critical estimates and judgments

The areas involving critical estimates or judgments are:

1. Estimation of defined benefit obligation – Refer note 36

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates, attrition rate etc. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables which tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on past historical average and future expectation of inflation rates.

Further details about gratuity obligations are given in Note 36.

2. Impairment - Refer no. 33.14

The Company estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value.

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

3. Estimated useful life of intangible assets - Refer note 33.6

4. Deferred tax assets

are recognized for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is current when it is:

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

NOTES TO FINANCIAL STATEMENTS

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

NOTE 33.3. Inventories

- ♦ Raw materials, components, stores and spares are valued at cost or net realizable value whichever is lower. Cost includes all cost of purchase and incidental expenses incurred in bringing the inventories to their present location and condition. Cost is ascertained using weighted average method.
- ♦ Work-in-process and finished goods are valued at cost or net realisable value whichever is lower. Cost includes direct materials, labour costs and a proportion of manufacturing overheads i.e. cost of conversion. Variable production overheads are allocated to each unit of production on the basis of the actual use of the production facilities. Fixed overheads are allocated based on the normal operating capacity, or actual capacity if actual capacity approximates normal capacity.
- ♦ Materials-in-transit are valued at actual cost incurred up to the date of balance sheet.
- ♦ Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.
- ♦ Runners and Risers are valued at replacement cost or net realisable value whichever is lower.
- ♦ The inventory of patterns purchased and held for sale is valued at lower of cost and net realizable value. The cost comprises of all the costs of purchases and other costs incurred in bringing the inventories to their present location and condition

NOTE 33.4. Cash and short-term deposits

Cash and short-term deposits in the balance sheet comprise cash at banks and on hand and highly liquid short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

NOTE 33.5. Property, plant and equipment

♦ Recognition and measurement

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the entity; and the cost of the item can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Items of property, plant and equipment are measured at cost of acquisition or deemed cost applied on transition to Ind AS or cost of construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use by the management; any trade discounts and rebates are deducted in arriving at the purchase price. Borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost.

Property, plant and equipment under construction are disclosed as capital work-in-progress.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed under "Other non-current assets".

Assets value up to 5,000 are fully depreciated in the year of acquisition.

NOTES TO FINANCIAL STATEMENTS

♦ Disposal

An item of property, plant and equipment is derecognized upon disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income/expenses in the statement of profit and loss.

♦ Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is provided on the "Written Down value" Method, as per the useful life of assets prescribed in Part C of Schedule II of Companies Act, 2013, except "Tools and Equipment" which is depreciated using Straight Line Method (SLM).

Life of Dies and Moulds is taken as 8 years, Plant & Machinery is taken as 25 years & Tools & Equipment is taken as 4 years based on technical evaluation.

Depreciation on addition to assets or sale/disposal of assets is calculated pro rata from the date of put to use or up to the date of sale/disposal, as the case may be.

Depreciation is not calculated on capital work in progress until construction or installation is completed and the asset is when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The useful lives of assets are reviewed by the management at each financial year end & revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised useful life of asset

NOTE 33.6. Intangible assets and amortization

♦ Recognition and measurement

Intangible assets are recognised when the it meets the definition of intangible asset and it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets acquired by the Company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

♦ Subsequent measurement

Subsequent expenditure is capitalised only when it recognition only when such asset meets definition of intangible asset and recognition criteria mentioned above.

♦ Amortization

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its Intangible assets which consist of computer software is amortised over a period of three years and ATAS software is amortised over a period of 25 years.

NOTE 33.7. Revenue recognition

Revenue is recognized when (or as) a performance obligation is satisfied, at the transaction price. The company uses 5 steps model given by Ind AS 115 i.e. identifying contract, identifying performance obligation, determination of transaction price, allocation of transaction price over performance obligation and recognition of revenue when performance obligation is satisfied. A company's performance obligation is satisfied when it transfers control over a good or service to a customer i.e. when goods/ services are delivered/provided to the customer.

Revenue is measured at the transaction price i.e. Consideration to which a company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties and after considering effect of variable consideration, significant financing component.

For contracts with multiple performance obligations, the transaction price is allocated to different obligations based on their standalone selling price. In such case, revenue recognition criteria are applied for each separately to different performance obligations, in order to reflect the substance of the transaction and revenue is recognised separately for each obligation as and when the recognition criteria for the component is fulfilled.

For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Amounts included in revenue are net of returns, trade allowances, rebates, goods and service tax.

NOTES TO FINANCIAL STATEMENTS

Other income

Other income comprises of interest income, dividend income, foreign currency gain on financial assets and liabilities, profit on sale of non-financial assets export benefits and fair value changes on financial instruments.

Dividend income is recognised when the Company's right to receive the payment is established, which is in the year when shareholders approve the dividend.

Interest income is recognised as it accrues in the statement of profit and loss, using the effective interest method. Export benefits in the form of Duty Draw Back claims are recognised in the statement of profit and loss on the date that the Company's right to receive payment is established. The company presents interest income on financial assets at Fair Value through Profit & Loss separately from fair value changes on financials assets.

NOTE 33.8. Finance costs

Finance costs comprise of interest expense on borrowings, and foreign currency loss on financial assets and liabilities, bank charges and commission. Interest expenditure are recognised as it accrues in the statement of profit and loss, using the effective interest method. Other finance cost is recognized as it accrues.

NOTE 33.9. Foreign currencies transactions

The financial statements are presented in INR, which is also the company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in statement of profit or loss.

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

NOTE 33.10. Employee Benefits Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the services, cost of bonus and short-term compensated absences, leave travel allowance etc. are recognized in the period in which the employee renders the related service.

Post-Employment Benefits

Defined Contribution Plans

The Company has state governed provident fund scheme and employee state insurance scheme as defined contribution plans. The contribution paid/payable under the scheme is recognized during the period in which the employee renders the related service.

Defined Benefit Plans

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

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

Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs. Past service cost is recognized as expenses on a straight-line basis over the average period until the benefits become vested. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

NOTES TO FINANCIAL STATEMENTS

Long Term Employee Benefit

The obligation for long term employee benefits such as long-term compensated absences is recognized in the same manner as in the case of defined benefit plans as mentioned above.

Accumulated leaves that are expected to be utilized within the next 12 months are treated as short term employee benefits.

NOTE 33.11. Income Taxes Current income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of tax laws enacted or substantially enacted at the end of reporting period. Management periodically evaluates positions taken in tax returns with respect to situation in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The offset of current tax assets and current tax liabilities if the company has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

NOTE 33.12. Provisions

A Provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources is expected to settle the obligation, in respect of which a reliable estimate can be made.

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

Contingent liability is disclosed in case of:

- a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- b) present obligation arising from past events, when no reliable estimate is possible
- c) a possible obligation arising from past events where the probability of outflow of resources is remote.

Contingent assets are neither recognized, nor disclosed except when an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

NOTES TO FINANCIAL STATEMENTS

NOTE 33.13. Leases

Lease is a contract that provides to the customer (lessee) the right to use an asset for a period of time in exchange for consideration. A lessee is required to recognize assets and liabilities for all leases with a term that is greater than 12 months, unless the underlying asset is of low value, and to recognize depreciation of leased assets separately from interest on lease liabilities in the statement of Profit and Loss.

As a Lessee

Initial Measurement

Right to use asset

At the commencement date, the Company measures the right-of-use asset at cost. The cost of the right of-use asset shall comprise:

- the amount of the initial measurement of the lease liability
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the lessee; and
- an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset the lease, unless those costs are incurred to produce inventories.

The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

Lease liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses its incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise the following payments:

- fixed payments (including in substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Company under residual value guarantees;
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent measurement Right to use asset

Subsequently the Company measures the right-of-use asset at cost less any accumulated depreciation and any Accumulated impairment losses.

Lease Liability

Subsequently the Company measures the lease liability by:

- increasing the carrying amount to reflect interest on the lease liability at the interest rate implicit in the lease, if that rate can be readily determined or the Company's incremental borrowing rate.
- reducing the carrying amount to reflect the lease payments made; and
- re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

NOTE 33.14. Impairment of non-financial assets

The company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's net selling price or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the reduction is treated as impairment loss and recognized in profit and loss account. If at any subsequent balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the statement of profit and loss.

NOTES TO FINANCIAL STATEMENTS

NOTE 33.15. Fair value measurement

The Company measures financial instruments at fair value if they are to be measured at fair value are accordance with Ind AS, such as investment at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability OR
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

External valuation experts are involved for valuation of significant assets and liabilities. The involvement of external valuation experts is decided upon annually by the management.

NOTE 33.16. Financial instruments

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

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss. Trade Receivables that do not contain a significant financing component are measured at transaction price.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period. Company amortizes all transactions cost over period of financial instrument on straight line basis.

NOTES TO FINANCIAL STATEMENTS

Financial assets

Cash and bank balances

Cash and bank balances consist of:

- (i) Cash and cash equivalents - which includes cash on hand, deposits held at call with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than three months. These balances with banks are unrestricted for withdrawal and usage.
- (ii) Other bank balances - which includes balances and deposits with banks that are restricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company in respect of certain equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument-by-instrument basis at the time of initial recognition of such equity investments. These investments are held for medium or long-term purposes. The Company has chosen to designate these investments in equity instruments as fair value through other comprehensive income as the management believes this provides a more meaningful presentation for medium or long-term investments, than reflecting changes in fair value immediately in the statement of profit and loss.

Financial assets not measured at amortised cost or at fair value through other comprehensive income are carried at fair value through profit and loss.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the right to receive payment has been established.

Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income.

Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits etc.
- b. financial assets that are debt instruments and are measured as at FVTOCI
- c. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
- d. Loan commitments which are not measured as at FVTPL

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

NOTES TO FINANCIAL STATEMENTS

De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach..

De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Derivative financial instruments

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations. The instruments are confined principally to cross currency swaps. The instruments are employed as hedges of transactions included in the financial statements.

Derivatives are initially accounted for and measured at fair value on the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period.

Note : 33.17 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equities shares outstanding during the period as reduced by number of shares bought back, if any. The weighted average number of equities shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equities shares outstanding, without a corresponding change in resources.

NOTES TO FINANCIAL STATEMENTS

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Note : 34 Contingent liabilities Other money for which the company is contingently liable for

₹ in Lacs

| Particulars | 31 March 2023 | 31 March 2022 |
|------------------------------------------------------------------------------------------------------|---------------|---------------|
| i) Excise & Service Tax [Amount paid under protest Rs. 9.39 Lacs (Previous Year Rs.9.39 Lacs)] | 12.34 | 12.34 |
| ii) Goods & Service Tax [Amount paid under protest Rs. 26.90 Lacs. (Previous Year Rs.26.90 Lacs)] | 534.12 | 534.12 |
| Total | 546.46 | 546.46 |

Note : 35 Commitments

₹ in Lacs

| Particulars | 31 March 2023 | 31 March 2022 |
|-----------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|
| a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances) | 244.18 | 323.42 |
| (b) Other Commitments | | |
| i) EPCG License towards duty saved and interest thereon (Refer Note A below) | 335.99 | 404.17 |
| ii) PSI Scheme 2007 towards exemption of stamp duty on mortgage (Refer Note B below) | 18.90 | 17.89 |
| iii) PSI Scheme 2007 towards exemption of Electricity duty for a period of 15 years (Refer Note B below) | 2,017.97 | 1,602.66 |
| Total | 2,617.04 | 2,348.14 |

Note A : EPCG License towards duty saved and interest thereon

- i Authorisation Holder shall be under obligation to export items as per details mentioned in this Authorisation. The Export Obligation shall be 6 times of the duty saved on import of Capital Goods on FOB basis within a period of 6 years (Block Years: 1st to 4th year (1st Block) - 50% and 5th to 6th year (2nd Block)- 50%) and shall be reckoned from the date of issue of this Authorisation.
- ii Authorization Holder shall also be required to maintain the past average level of exports [achieved by the EPCG applicant in the preceding three licensing years] for the same and similar products, as endorsed on this Authorisation for the entire export obligation period, including extended period, if any. This annual average Export Obligation is in addition to the FOB value of exports mentioned in Para 8 above.
- iii EO shall be fulfilled by the authorisation holder through export of goods which are manufactured by him or his supporting manufacturer / services rendered by him, for which the EPCG authorisation has been granted.
- iv Authorization Holder may discharge the export obligation by way of direct exports as well as through third party exports. Exports to SEZ units/Supplies to developers/co-developers irrespective of currency of realisation would also be counted for discharge of Export Obligation. Deemed exports as specified under Para 7.02 (a), (b), (e), (f) and (h) of the Foreign Trade Policy 2015-2020 shall also be counted towards fulfilment of Export Obligation.
- v Authorization Holder shall mention this EPCG Authorisation number and date on all export documents of shipments for consideration of exports towards EO fulfilment of the EPCG Authorisation. In case, the Authorization Holder has supporting manufacturer(s), the name of the supporting manufacturer(s) shall also be indicated in Shipping Bills.

Note B : PSI Scheme 2007

Commitments mentioned under point ii & iii above are based on commitments mentioned in Eligibility certificate issued by the authority. This includes unrestricted access to factory for inspection of books and register etc., employment of employees and salaries based on conditions mentioned in certificate, submission of documents, forms etc. Also

- i not to transfer/shift/lease/hire with or without consideration of fixed assets,
- ii diuse/keep assets without write of, shift or close unit from existing location
- iii Change in constitution or management of company
- iv Company should not get merged or amalgamate with other company.

NOTES TO FINANCIAL STATEMENTS
Note : 36 Employee Benefits:
i. Defined Contribution Plans:
a. Provident fund:

The Company provides provident fund benefits for eligible employees as per applicable regulations wherein both employees and the Company make monthly contributions at a specified percentage of the eligible employee's salary. Contributions under such schemes are made to state managed funds. Benefits provided under plans wherein contributions are made to state managed funds and the Company does not have a future obligation to make good short fall if any, are treated as a defined contribution plan.

Amount of **Rs.55.34 Lakhs** in F.Y: 2022-23 (Rs.50.65 lakhs in F.Y: 2021-22) is recognised as an expense and included in Employees benefits expense (Note-25 in the Statement of Profit and Loss.)

ii. Defined Benefit Plans:
a) The amounts recognised in Balance Sheet are as follows : Funded Plan

₹ in Lacs

| | Particulars | 31 March 2023 | 31 March 2022 |
|------------------------------------------------------------------|--------------|---------------|---------------|
| | | Gratuity Plan | Gratuity Plan |
| | | (Funded) | (Funded) |
| A. Amount to be recognised in Balance Sheet | | | |
| Present Value of Defined Benefit Obligation at the end of period | 206.03 | 185.19 | |
| Less: Fair Value of Plan Assets at the end of period | 192.25 | 157.02 | |
| Amount to be recognised as liability or (asset) | 13.78 | 28.17 | |
| B. Amounts reflected in the Balance Sheet | | | |
| Provisions | 206.03 | 185.19 | |
| Current asset | 192.25 | 157.02 | |
| Net Liability/(Asset) (Refer Note 14 & 20) | 13.78 | 28.17 | |

b) The amounts recognised in the Statement of Profit and Loss are as follows: Funded Plan

₹ in Lacs

| | Particulars | 31 March 2023 | 31 March 2022 |
|---|---------------------------------------------------------------------------------------------|---------------|---------------|
| | | Gratuity Plan | Gratuity Plan |
| | | (Funded) | (Funded) |
| 1 | Current Service Cost (Refer Note 25) | 24.88 | 18.55 |
| 2 | Net Interest (income)/expenses | 0.93 | (0.88) |
| | Net periodic benefit cost recognised in the statement of profit & loss (refer note 25 & 26) | 25.82 | 17.67 |

c) The amounts recognised in the statement of other comprehensive income (OCI) : Funded Plan

₹ in Lacs

| | Particulars | 31 March 2023 | 31 March 2022 |
|---|--------------------------------------------------------------------------------------|----------------|---------------|
| | | Gratuity Plan | Gratuity Plan |
| | | (Funded) | (Funded) |
| 1 | Opening amount recognised in OCI outside profit and loss account | 53.44 | 15.77 |
| 2 | Remeasurements for the year - Obligation (Gain)/loss | (12.08) | 37.78 |
| 3 | Remeasurement for the year - Plan assets (Gain) / Loss | 1.22 | (0.12) |
| 4 | Total Remeasurements Cost / (Credit) for the year recognised in OCI | 42.58 | 53.44 |
| 5 | Less: Accumulated balances transferred to retained earnings | - | - |
| 6 | Total Remeasurements Cost / (Credit) for the year recognised in OCI (refer note 29) | (10.85) | 37.67 |
| | Closing balances (remeasurement (gain)/loss recognised OCI) | 42.58 | 53.44 |

NOTES TO FINANCIAL STATEMENTS

- d) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows: Funded Plan ₹ in Lacs

| | Particulars | 31 March 2023 | 31 March 2022 |
|---|------------------------------------------------------------------------------------|---------------|---------------|
| | | Gratuity Plan | Gratuity Plan |
| | | (Funded) | (Funded) |
| 1 | Balance of the present value of Defined benefit Obligation at the beginning period | 185.19 | 123.93 |
| 2 | Interest expenses | 12.98 | 7.84 |
| 3 | Past Service Cost | - | - |
| 4 | Current Service Cost | 24.88 | 18.55 |
| 5 | Benefits paid | (4.94) | (2.92) |
| 6 | Remeasurements on obligation - (Gain) / Loss | (12.08) | 37.78 |
| | Present value of obligation as at the end of the period | 206.03 | 185.19 |

- e) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows: Funded Plan ₹ in Lacs

| | Particulars | 31 March 2023 | 31 March 2022 |
|----|---------------------------------------------------------------------------------------|---------------|---------------|
| | | Gratuity Plan | Gratuity Plan |
| | | (Funded) | (Funded) |
| 1 | Fair value of the plan assets as at beginning of the period | 157.02 | 123.75 |
| 2 | Acquition adjustment | - | - |
| 3 | Transfer in/(out) | - | - |
| 4 | Interest income | 12.04 | 8.72 |
| 5 | Contributions | 30.00 | 28.00 |
| 6 | Benefits paid | (4.94) | (2.92) |
| 7 | Amount paid on settlement | - | - |
| 8 | Return on plan assets, excluding amount recognized in Interest Income - Gain / (Loss) | (1.22) | 0.12 |
| 9 | Mortality Charges and Taxes | (0.65) | (0.65) |
| 10 | Fair value of plan assets as at the end of the period | 192.25 | 157.02 |

- f) Net interest (Income) /expenses: Funded Plan ₹ in Lacs

| Sl. No. | Particulars | 31 March 2023 | 31 March 2022 |
|---------|----------------------------------------------|---------------|---------------|
| | | Gratuity Plan | Gratuity Plan |
| | | (Funded) | (Funded) |
| 1 | Interest (Income) / Expense – Obligation | 12.97 | 7.84 |
| 2 | Interest (Income) / Expense – Plan assets | (12.04) | (8.72) |
| 3 | Net Interest (Income) / Expense for the year | 0.93 | (0.88) |

- g) Remeasurement for the year (Actuarial Gain/Loss) ₹ in Lacs

| Particulars | 31 March 2023 | 31 March 2022 |
|---------------------------------------------|---------------|---------------|
| Experience(Gain)/Loss on plan liabilities | (5.04) | (3.01) |
| Demographic (Gain)/Loss on plan liabilities | 0.61 | 9.59 |
| Financial (Gain)/Loss on plan liabilities | (7.10) | 31.21 |
| Experience(Gain)/Loss on plan assets | 2.41 | (0.66) |
| Financial (Gain)/Loss on plan assets | (1.19) | 0.55 |

NOTES TO FINANCIAL STATEMENTS

- h) **The broad categories of plan assets as a percentage of total plan assets of Employee's Gratuity Scheme are as under:** ₹ in Lacs

| Sl. No. | Particulars | Percentage | Percentage |
|---------|-----------------------------------|-------------|-------------|
| | | 2022-23 | 2021-22 |
| 1 | Government Securities | 0.00% | 0.00% |
| 2 | High quality Corporate Bonds | 0.00% | 0.00% |
| 3 | Equity Shares of Listed companies | 0.00% | 0.00% |
| 4 | Property | 0.00% | 0.00% |
| 5 | Special Deposit Scheme | 0.00% | 0.00% |
| 6 | Funds managed by insurer | 100.00% | 100.00% |
| 7 | Others | 0.00% | 0.00% |
| | Grand Total | 100% | 100% |

Basis used to determine the overall expected return

The net interest approach effectively assumes an expected rate of return on plan assets equal to the beginning of the year discount rate. Expected return of 7.10% in F.Y: 2022-23 (6.40% in F.Y: 2021-22) has been used for the valuation purpose.

- i) **The amounts pertaining to defined benefit plans are as follows:Funded Plan** ₹ in Lacs

| Particulars | 31 March 2023 | 31 March 2022 |
|----------------------------|---------------|---------------|
| | Gratuity Plan | Gratuity Plan |
| | (Funded) | (Funded) |
| Defined Benefit Obligation | 206.03 | 185.19 |
| Plan Assets | 192.25 | 157.02 |
| (Surplus)/Deficit | 13.78 | 28.17 |

Significant estimates

- j) **Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)**

- Discount rate as at 31-03-2023- 7.50% (7.10% in F.Y: 2021-22)
- Expected return on plan assets as at 31-03-2023 - 7.10% (6.40% in F.Y: 2021-22)
- Salary Increment rate as at 31-03-2023 Staff 7.00% & Directors 5% (7.00% for Directors & Staff in F.Y: 2021-22)
- Attrition rate as at 31-03-2023: 9.43% (10.62% in F.Y: 2021-22)
- The estimates of future salary increase considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

- k) **General descriptions of defined plans:**

1 Gratuity Plan:

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

2 Company's Pension Plan:

The company operates a Pension Scheme for specified ex-employees through a Employees family pension Scheme of 1971 notified by government. wherein the beneficiaries are entitled to defined monthly pension.

- l) The Company has contributed Rs. 3,000,000 to its gratuity fund in 2023. The Company has informed me that it intends to contribute Rs. 1,400,000 towards its gratuity fund in 2024.

NOTES TO FINANCIAL STATEMENTS
m) Sensitivity analysis

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the out come of the Present value of obligation (PVO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact ₹ in Lacs

| Sl. No. | Change in assumption | Effect on Gratuity obligation | Effect on Gratuity obligation |
|---------|-----------------------------|-------------------------------|-------------------------------|
| | | 31 March 2023 | As at 31 March 2022 |
| 1 | Discount rate | | |
| | Increase by 1% | 190.13 | 168.93 |
| | Decrease by 1% | 224.41 | 204.15 |
| 2 | Salary increase rate | | |
| | Increase by 1% | 222.23 | 202.09 |
| | Decrease by 1% | 191.70 | 170.36 |
| 3 | Withdrawal rate | | |
| | Increase by 1% | 206.43 | 140.46 |
| | Decrease by 1% | 207.11 | 251.13 |

Average Duration

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal rate and interest rate) is 12.40 years.

Expected Future Benefit Payments

The following benefits payments for each of the next five years and the aggregate five years thereafter, are expected to be paid:

| Year Ending March 31 | Expected Benefit Payment rounded to nearest thousand |
|----------------------|------------------------------------------------------|
| 2024 | 11.89 |
| 2025 | 10.30 |
| 2026 | 65.11 |
| 2027 | 13.08 |
| 2028 | 15.38 |
| 2029-2033 | 180.13 |

The above cashflows have been arrived at based on the demographic and financial assumptions mentioned earlier in section

Risk Exposure:

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

1. Liability Risk
a. Asset liability Mismatch Risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b. Discount Rate Risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities

c. Future Salary Escalation and Inflation Risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

NOTES TO FINANCIAL STATEMENTS

2. Asset Risk

All plan assets are maintained in a trust fund managed by a public sector insurer viz; Life Insurance Corporation of India

The company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

Note 37 : Related party disclosures

(A) Names of the related party and nature of relationship where control exists

There are no parties where control exists

(B) Names of the related party and nature of relationship

| Sr. No. | Name of the related party | Nature of relationship |
|---------|---------------------------|-----------------------------------------|
| 1 | S.B. Reshellers Pvt. Ltd. | Enterprise having significant influence |

(C) Names of the related parties with whom transactions have been entered into

I Key Management Personnel

| Sr. No. | Name of the related party | Nature of relationship |
|---------|----------------------------------|------------------------------------|
| 1 | Shri Sachin Rajendra Shirgaokar | Chairman & Managing Director (CMD) |
| 2 | Shri Sohan Sanjeev Shirgaokar | Joint Managing Director (Jt.MD) |
| 3 | Shri V. S. Reddy | Executive Director |
| 4 | Shri Shishir Suresh Shirgaokar | Non Executive Director |
| 5 | Shri. Chandan Sanjeev Shirgaokar | Non Executive Director |
| 6 | Shri Suhas Bhalchandra Kulkarni | Chief Financial Officer |
| 7 | Shri Nilesh Mohan Mankar | Company Secretary |

II Relative of Key Management Personnel

| Sr. No. | Name of the related party | Nature of relationship |
|---------|------------------------------|------------------------|
| 1 | Sou. Laxmi Sachin Shirgaokar | Wife of CMD |
| 2 | Ms. Shreya Sachin Shirgaokar | Daughter of CMD |
| 3 | Ms. Priya Sachin Shirgaokar | Daughter of CMD |

III Enterprises over which KMP or Relatives of KMP are able to Exercise significant influence

| Sr. No. | Name of the related party | Nature of relationship |
|---------|---------------------------------------------|------------------------------------------------|
| 1 | V. S. Shirgaokar Enterprises LLP | CMD, Spouse of CMD, Father of CMD are Partners |
| 2 | D. M. Shirgaokar Enterprises LLP | CMD, Jt. MD are Partners |
| 3 | Suresh Shirgaokar Enterprises LLP | Brother of Jt. MD & Father of CMD are Partners |
| 4 | The Ugar Sugar Works Ltd. | Brother of Jt. MD is MD |
| 5 | Shishir Shirgaokar Enterprise LLP | Jt. MD is Partner |
| 6 | Shri Siddhivinayak Ganapati Cancer Hospital | Non-Executive Director is Chairman |

NOTES TO FINANCIAL STATEMENTS
(D) Disclosure of related parties transactions as per Ind AS - 24

₹ in Lacs

| Sr No | Nature of transaction | 2022-23 | | 2021-22 | |
|----------|------------------------------------|---------------|--------|---------------|--------|
| | | Total Amount | Amount | Total Amount | Amount |
| 1 | Purchase of goods | 270.23 | | 352.09 | |
| | S. B. Reshellers Pvt. Ltd. | | 268.62 | | 350.99 |
| | The Ugar Sugar Works Limited | | 1.61 | | 1.10 |
| 2 | Labour Charges Paid | 1.19 | | 9.40 | |
| | S. B. Reshellers Pvt. Ltd. | | 1.19 | | 9.40 |
| 3 | Office Rent Paid | 2.65 | | 2.52 | |
| | S. B. Reshellers Pvt. Ltd | | 2.65 | | 2.52 |
| 4 | Purchase of Fixed Assets | 56.58 | | 244.79 | |
| | S. B. Reshellers Pvt. Ltd. | | 56.58 | | 244.79 |
| 5 | Interest Payment | 40.60 | | 39.57 | |
| | Ms. Shreya S. Shirgaokar | | 6.32 | | 6.60 |
| | Mrs. Laxmi S. Shirgaokar | | 7.26 | | 7.23 |
| | Ms. Priya S. Shirgaokar | | 1.15 | | 0.71 |
| | Shri Shishir Shirgaokar | | 5.90 | | 5.95 |
| | D M Shirgaokar Enterprises LLP | | 2.20 | | 0.46 |
| | Shishir Shirgaokar Enterprises LLP | | 3.20 | | 3.19 |
| | Suresh Shirgaokar Enterprises LLP | | 6.32 | | 7.21 |
| | V S Shirgaokar Enterprises LLP | | 8.25 | | 8.23 |
| 6 | Repayment of Deposit | 90.00 | | 192.93 | |
| | Mrs. Laxmi S. Shirgaokar | | - | | 65.00 |
| | Shri Shishir Shirgaokar | | - | | 10.00 |
| | Ms. Shreya S. Shirgaokar | | 40.00 | | - |
| | D M Shirgaokar Enterprises LLP | | - | | 1.25 |
| | Shishir Shirgaokar Enterprises LLP | | 3.00 | | 26.00 |
| | V S Shirgaokar Enterprises LLP | | - | | 74.98 |
| | Suresh Shirgaokar Enterprises LLP | | 47.00 | | 15.70 |
| 7 | Acceptance of Deposit | 90.00 | | 208.00 | |
| | Mrs. Laxmi S. Shirgaokar | | - | | 66.00 |
| | Ms Priya S Shirgaokar | | - | | 5.00 |

NOTES TO FINANCIAL STATEMENTS

| | | | | | |
|-----------|------------------------------------------------------------|---------------|-------|-----------------|----------|
| | Shri Shishir Shirgaokar | | - | | 10.00 |
| | Ms. Shreya S. Shirgaokar | | 40.00 | | - |
| | D M Shirgaokar Enterprises LLP | | - | | 20.00 |
| | Shishir Shirgaokar Enterprises LLP | | 3.00 | | 26.00 |
| | V S Shirgaokar Enterprises LLP | | - | | 75.00 |
| | Suresh Shirgaokar Enterprises LLP | | 47.00 | | 6.00 |
| 8 | Payment to Key Management Personnel | 287.25 | | 287.07 | |
| | Short Term employee benefit | | | | |
| | Shri Sachin R. Shirgaokar | | 86.79 | | 85.91 |
| | Shri Sohan S. Shirgaokar | | 86.79 | | 85.91 |
| | Shri V. S. Reddy | | 77.07 | | 79.74 |
| | Suhas Kulkarni | | 21.03 | | 20.07 |
| | Nilesh Mankar | | 9.52 | | 8.90 |
| | Post-employment benefits** | | | | |
| | Shri V. S. Reddy | | 4.61 | | 4.95 |
| | Suhas Kulkarni | | 0.57 | | 0.57 |
| | Nilesh Mankar | | 0.31 | | 0.31 |
| | Sitting Fees | | | | |
| | Shri Chandan S. Shirgaokar | | 0.30 | | 0.40 |
| | Shri Shishir Shirgaokar | | 0.25 | | 0.30 |
| 9 | Contribution towards CSR | 1.00 | | - | |
| | Shri Siddhivinayak Ganapati Cancer Hospital | | 1.00 | | - |
| 10 | Corporate/ Personal Guarantee in Company's favour * | - | | 8,002.00 | |
| | S. B. Reshellers Pvt. Ltd. | | - | | 8,002.00 |

* Jointly & Severally

** As post employment obligations are computed for all employees in aggregate, the amounts relating to key management personnel cannot be individually computed and hence are not included in the above

NOTES TO FINANCIAL STATEMENTS
(E) Amount due to/from related parties

₹ in Lacs

| Sr No | Nature of transaction/ relationship/major parties | 31 March 2023 | | 31 March 2022 | |
|-------|--------------------------------------------------------------------------|-----------------|--------------------------|-----------------|--------------------------|
| | | Total Amount | Amount for Major parties | Total Amount | Amount for Major parties |
| 1 | Accounts receivable (on account of sale of goods and services) | | - | | - |
| | TOTAL | - | | - | |
| 2 | Amount Due | | | | |
| | S. B. Reshellers Pvt. Ltd. | | 670.51 | | 753.64 |
| | The Ugar Sugar Works Limited | | 475.00 | | 475.00 |
| | Mrs. Laxmi S. Shirgaokar | | 66.00 | | 66.00 |
| | Ms. Shreya S. Shirgaokar | | 55.00 | | 55.00 |
| | Ms. Priya S. Shirgaokar | | 10.00 | | 10.00 |
| | Shishir Shirgaokar | | 50.00 | | 50.00 |
| | Shraddha Shirgaokar | | - | | - |
| | D M Shirgaokar Enterprises LLP | | 20.00 | | 20.00 |
| | V S Shirgaokar Enterprises LLP | | 75.00 | | 75.00 |
| | Shishir Shirgaokar Enterprises LLP | | 29.00 | | 29.00 |
| | Suresh Shirgaokar Enterprises LLP | | 56.32 | | 56.32 |
| | Shri Sachin R. Shirgaokar | | 6.22 | | 6.22 |
| | Shri Sohan S. Shirgaokar | | 6.22 | | 6.22 |
| | Shri V. S. Reddy | | 5.46 | | 5.46 |
| | Suhas Kulkarni | | 1.56 | | 1.66 |
| | Nilesh Mankar | | 0.79 | | 0.74 |
| | TOTAL | 1,527.08 | | 1,610.26 | |

All outstanding balances are unsecured and to be settled in cash.

Note 38 : Fair Value of financial assets and liabilities

| a) | | ₹ in Lacs | |
|--------|--------------------------------------------------------------------|----------------------|----------------------|
| Sr. No | Particulars | As at March 31, 2023 | As at March 31, 2022 |
| | Financial Assets | | |
| a) | Carried at amortized cost | | |
| | Other financial assets (Current) | 245.76 | 334.98 |
| | Other financial assets (Non Current) | 15.44 | 15.44 |
| | Trade receivables | 2,207.49 | 3,236.81 |
| | Cash and cash equivalents | 28.91 | 8.62 |
| | Bank balances | 579.01 | 183.79 |
| | | 3,076.61 | 3,779.63 |
| b) | Carried at FVTPL | | |
| | Other financial liabilities | - | - |
| | | - | - |
| c) | Investment at Fair Value through Other Comprehensive Income | | |
| | Equity Shares | 0.25 | - |
| | | 0.25 | - |
| | Financial Liabilities | | |
| a) | Carried at amortized cost | | |
| | Long Term Borrowings | 4,206.06 | 4,321.16 |
| | Other financial liabilities | 428.52 | 321.42 |
| | Short Term Borrowings | 4,160.19 | 3,919.07 |
| | Trade and other payables | 5,204.00 | 6,475.70 |
| | | 13,998.78 | 15,037.34 |

NOTES TO FINANCIAL STATEMENTS

The fair value of the financial assets and liabilities are included at the amount at which the instrument that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date.

The carrying amounts of financial assets and liabilities measured at amortised cost are a reasonable approximation of their fair values.

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level is

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

b) Financial assets and liabilities for which fair value is disclosed

₹ in Lacs

| Sr. No. | Particulars | Level 1 | Level 2 | Level 3 |
|---------|--------------------------------------------------------------------|---------|---------|---------|
| | Investment at Fair Value through Other Comprehensive Income | | | |
| | March 31, 2023 | - | - | 0.25 |
| | March 31, 2022 | - | - | - |

Note 38 A: Financial risk management policy and objectives

Company's principal financial liabilities, comprise borrowings, trade and other payables, and other financial liabilities. The main purpose of these financial liabilities is to finance company's operations. Company's principal financial assets include trade and other receivables, investments, cash and cash equivalents and other bank balances that are derived directly from its operations.

Company is exposed to certain risks which includes market risk, credit risk and liquidity risk.

Risk Management committee of the company oversees the management of these risks. This committee is accountable to audit committee of the board. This process provides assurance to the company's senior management that company's financial risk-taking activities are governed by the appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with company's policies and risk appetite.

The policies for managing these risks are summarised below.

1) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, foreign exchange transactions and other financial instruments.

Company uses expected credit loss model for assessing and providing for credit risk.

a) Trade receivable

Customer credit risk is managed through the company's policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. Trade receivables are non interest bearing and are generally on, 30 days to 120 days credit terms. The company has concentration of risk as customer base is not widely distributed, almost 90% of total revenue is contributed by top six customers both economically and geographically.

b) Expected Credit Loss for Trade Receivable

The Company estimates its allowance for trade receivable using lifetime expected credit loss. The balance past due for more than 6 month (net of expected credit loss allowance)

NOTES TO FINANCIAL STATEMENTS
i) Impairment of financial assets: Expected credit loss

₹ in Lacs

| Particulars | March 31, 2023 | March 31, 2022 |
|-----------------------------------------------------------------|-----------------|-----------------|
| Gross carrying amount | 2,300.66 | 3,324.26 |
| Expected loss rate | 0.00 | 0.00 |
| Expected credit losses (loss allowance provision) | (93.17) | (87.45) |
| Carrying amount of trade receivables (net of impairment) | 2,207.49 | 3,236.81 |

c) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the company's CFO in accordance with company's policy. Investments of surplus funds are made only in fixed deposits and within credit limits assigned to each counterparty. Company monitors rating, credit spreads and financial strength of its counter parties. Based on ongoing assessment company adjust it's exposure to various counterparties. Company's maximum exposure to credit risk for the components of statement of financial position is the carrying amount.

2) Liquidity risk

Liquidity risk is the risk that the company may not be able to meet it's present and future cash flow and collateral obligations without incurring unacceptable losses. Company's objective is to, at all time maintain optimum levels of liquidity to meet it's cash and collateral requirements. Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including overdraft, debt from domestic banks at optimised cost.

The table summarises the maturity profile of company's financial liabilities based on contractual undiscounted payments

₹ in Lacs

| Particulars | On Demand | Less than 1 year | More than 1 year | Total |
|---------------------------------------|-----------|------------------|------------------|-----------------|
| a) Trade Payables | | | | |
| March 31, 2023 | - | 5,204.00 | - | 5,204.00 |
| March 31, 2022 | - | 6,473.38 | 2.30 | 6,475.68 |
| b) Borrowings | | | | |
| March 31, 2023 | 1,867.77 | 2,292.42 | 4,206.06 | 8,366.25 |
| March 31, 2022 | 1,761.42 | 2,157.65 | 4,321.16 | 8,240.23 |
| c) Other Financial Liabilities | | | | |
| March 31, 2023 | - | 451.10 | 428.52 | 879.62 |
| March 31, 2022 | - | 583.12 | 321.42 | 904.54 |

The company has access to following undrawn facilities at the end of the reporting period

| Particulars | Floating Rate | |
|----------------|----------------------------------|------------------------|
| | Expiring within 1 Year | Expiring beyond 1 Year |
| March 31, 2023 | Saraswat - PLR-6% | - |
| | IndusInd - 6 months T-Bills + 3% | - |
| March 31, 2022 | 2% above BRLLR + SP | - |

3) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments. Company's activities expose it to variety of financial risks, including effect of changes in foreign currency exchange rate and interest rate.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

NOTES TO FINANCIAL STATEMENTS
b) Foreign Currency Exposure Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue, expense, assets & liabilities is denominated in a foreign currency).

The company manages its foreign currency risk by mapping receive bale against payables in order to minimize currency fluctuation impact.

Foreign currency exposure :

| Financial Assets | Currency | Amount in Foreign Currency in Lakhs | | Amount in INR in Lakhs | |
|-------------------|----------|-------------------------------------|-----------------|------------------------|-----------------|
| | | 31st March 2023 | 31st March 2022 | 31st March 2023 | 31st March 2022 |
| Trade Receivables | EUR | 0.62 | - | 53.80 | - |
| | GBP | 1.03 | 0.86 | 100.78 | 65.01 |
| | USD | - | 1.67 | - | 165.65 |

| Financial Assets | Currency | Amount in Foreign Currency in Lakhs | | Amount in INR in Lakhs | |
|------------------|----------|-------------------------------------|-----------------|------------------------|-----------------|
| | | 31st March 2023 | 31st March 2022 | 31st March 2023 | 31st March 2022 |
| Factoring loan | USD | - | 0.69 | - | 52.67 |
| | GBP | - | 0.21 | - | 21.03 |

| Financial Liabilities | Currency | Amount in Foreign Currency in Lakhs | | Amount in INR in Lakhs | |
|-----------------------|----------|-------------------------------------|-----------------|------------------------|-----------------|
| | | 31st March 2023 | 31st March 2022 | 31st March 2023 | 31st March 2022 |
| Term loan | USD | 5.03 | 11.93 | 420.67 | 904.07 |
| PCFC | USD | - | 3.64 | - | 276.06 |

| Financial Liabilities | Currency | Amount in Foreign Currency in Lakhs | | Amount in INR in Lakhs | |
|-----------------------|----------|-------------------------------------|-----------------|------------------------|-----------------|
| | | 31st March 2023 | 31st March 2022 | 31st March 2023 | 31st March 2022 |
| Trade payable | USD | 3.70 | 5.24 | 310.07 | 397.30 |
| | EUR | 0.08 | 0.38 | 7.28 | 32.31 |

Currency wise net exposure (assets - liabilities)

| Particulars | Amount in Foreign Currency in Lakhs | | Amount in INR in Lakhs | |
|-------------|-------------------------------------|-----------------|------------------------|-----------------|
| | 31st March 2023 | 31st March 2022 | 31st March 2023 | 31st March 2022 |
| EUR | 0.54 | (0.38) | 46.51 | (32.31) |
| USD | (8.73) | (18.45) | (730.74) | (1,359.11) |
| GBP | 1.03 | 1.07 | 100.78 | 86.04 |

Sensitivity Analysis

| Currency | Amount in INR in Lakhs | | Sensitivity % | Sensitivity % |
|--------------|------------------------|-------------------|---------------|---------------|
| | 2022-23 | 2021-22 | 2022-23 | 2021-22 |
| EUR | 46.51 | (32.31) | 2.35% | -1.78% |
| USD | (730.74) | (1,359.11) | 10.43% | 3.67% |
| GBP | 100.78 | 86.04 | -1.16% | -1.29% |
| Total | (583.45) | (1,305.38) | 11.62% | 0.60% |

₹ in Lacs

| Currency | Impact on profit (strengthen) INR | | Impact on profit (weakening) INR | |
|--------------|-----------------------------------|----------------|----------------------------------|--------------|
| | 2022-23 | 2021-22 | 2022-23 | 2021-22 |
| EUR | 1.09 | 0.58 | (1.09) | (0.58) |
| USD | (76.24) | (49.87) | 76.24 | 49.87 |
| GBP | (1.17) | (1.11) | 1.17 | 1.11 |
| Total | (76.32) | (50.40) | 76.32 | 50.40 |

NOTES TO FINANCIAL STATEMENTS

GBP - Great Britain Pound

EUR - Euro

USD - United States Dollar

Note 38 B: Impairment of financial assets: Expected credit loss
Provision for expected credit loss

| Internal rating | Category | Description of category | Basis of recording expected credit loss | |
|-----------------|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------|
| | | | Security Deposits, investments and other financial assets | Trade receivables |
| A | High quality asset, negligible credit risk | Assets where the counter party has strong capacity to meet obligations and where risk is negligible or nil. | 12 months expected credit losses | Life- time expected credit losses - simplified approach |
| B | Standard asset, moderate credit risk | Assets where there is moderate risk of default and where there has been low frequency of defaults in past. | | |
| C | Low quality asset, High credit risk | Assets where there is high probability of default. In general, assets where contractual payments are more than year past due are categorised as low quality asset. Also includes where credit risk of counter party has increased significantly through payments may not be more than a year past due. | Life- time expected credit losses | |
| D | Doubtful asset- credit impaired | Assets are written off, when there is no reasonable expectations of recovery. Where loans and receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss. | Asset is written off | |

As at 31 March 2023
1) Expected credit loss for security deposits, investment and other financial assets

₹ in Lacs

| Particulars | | Asset group | Internal rating | Estimated gross carrying amount of default | Expected probability of default | Expected credit losses | Carrying amount net of impairment provision |
|-------------------------------------------------------------|--------------------------------------------------------------------------------------------|--------------------------------------|-----------------|--------------------------------------------|---------------------------------|------------------------|---------------------------------------------|
| Loss allowance measured at 12 months expected credit losses | Financial assets for which credit risk has not increased significantly from inception | Security Deposits | A | 15.44 | - | - | 15.44 |
| | | Other Financial Assets & investments | A | 246.01 | - | - | 246.01 |
| Loss allowance measured at life time expected credit losses | Financial assets for which credit risk has increased significantly and not credit impaired | - | - | - | - | - | - |
| | Financial assets for which credit risk has increased significantly and credit impaired | - | - | - | - | - | - |

NOTES TO FINANCIAL STATEMENTS
2) Expected credit loss for trade receivables under simplified approach

₹ in Lacs

| Particulars | Not due | Past due but not impaired | | Total |
|---------------------------------------------------------|----------|---------------------------|------------------|-----------------|
| | | Less than 1 year | More than 1 year | |
| Gross carrying amount | 2,015.53 | 179.79 | 105.34 | 2,300.66 |
| Expected loss rate | 0.00% | 0.00% | 46.93% | 4.05% |
| Expected credit losses (Loss allowance provision) | - | - | (93.17) | (93.17) |
| Carrying amount of trade receivable (Net of impairment) | 2,015.53 | 179.79 | 12.17 | 2,207.49 |

As at 31 March 2022
1) Expected credit loss for security deposits, investment and other financial assets

₹ in Lacs

| Particulars | | Asset group | Internal rating | Estimated gross carrying amount of default | Expected probability of default | Expected credit losses | Carrying amount net of impairment provision |
|-------------------------------------------------------------|--------------------------------------------------------------------------------------------|--------------------------------------|-----------------|--------------------------------------------|---------------------------------|------------------------|---------------------------------------------|
| Loss allowance measured at 12 months expected credit losses | Financial assets for which credit risk has not increased significantly from inception | Security Deposits | A | 15.44 | - | - | 15.44 |
| | | Other Financial Assets & Investments | A | 334.98 | - | - | 334.98 |
| Loss allowance measured at life time expected credit losses | Financial assets for which credit risk has increased significantly and not credit impaired | - | - | - | - | - | - |
| | Financial assets for which credit risk has increased significantly and credit impaired | - | - | - | - | - | - |

2) Expected credit loss for trade receivables under simplified approach

₹ in Lacs

| Particulars | Not due | Past due but not impaired | | Total |
|---------------------------------------------------------|----------|---------------------------|------------------|-----------------|
| | | Less than 1 year | More than 1 year | |
| Gross carrying amount | 2,844.45 | 321.48 | 158.33 | 3,324.26 |
| Expected loss rate | 0.00% | 0.00% | 55.23% | 2.63% |
| Expected credit losses (Loss allowance provision) | - | - | (87.45) | (87.45) |
| Carrying amount of trade receivable (Net of impairment) | 2,844.45 | 321.48 | 70.88 | 3,236.81 |

NOTES TO FINANCIAL STATEMENTS

Note 39: Capital management

(a) Risk management

The company's objective when managing capital are to

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the company monitors capital on the basis of the following **Gearing ratio: Net debt (Total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet, including non-controlling interests).**

The company's strategy is to maintain a gearing ratio within 4.50 times. The gearing ratios were as follows: ₹ in Lacs

| Particulars | 31 March 2023 | 31 March 2022 |
|---------------------------------|---------------|---------------|
| Loans and borrowings | 8,366.25 | 8,240.23 |
| Less: Cash and cash equivalents | 28.91 | 8.62 |
| Net debt | 8,337.35 | 8,231.61 |
| Equity | 3,511.22 | 3,416.38 |
| Capital and net debt | 11,848.57 | 11,647.99 |
| Gearing ratio | 2.37 | 2.41 |

(b) Dividend

₹ in Lacs

| Particulars | 31 March 2023 | 31 March 2022 |
|------------------------------------------------------------------------------------------------------------|---------------|---------------|
| (i) Equity Shares | 141.30 | 141.30 |
| Final dividend for the year ended 31 March 2023 is INR Nil (31 March 2022 INR Nil) per fully paid share | NIL | NIL |
| Interim dividend for the year ended 31 March 2023 is INR Nil (31 March 2022 INR Nil) per fully paid share | NIL | NIL |
| (ii) Dividends not recognised at the end of the reporting period | NIL | NIL |

Post the year end, directors have not recommended any dividend (31st March 2022 INR Nil).

NOTES TO FINANCIAL STATEMENTS

| Sl. | Particulars | For the year 2022-23 | | | For the year 2021-22 | | | Variance (%) | Reason for variance more than 25% | |
|-----|---------------------------------------------------------------------------------------------|----------------------|-------------|--------|----------------------|-----------|-------------|--------------|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | Numerator | Denominator | Ratios | Days | Numerator | Denominator | | | Ratios |
| 1 | Current Ratio [Current assets / current Liability] | 9,997.64 | 9,935.50 | 1.01 | | 10,851.58 | 11,254.96 | 0.96 | 4.37% | |
| 2 | Debt-Equity Ratio [Debt/Equity] | 8,366.25 | 3,511.22 | 2.38 | | 8,240.23 | 3,416.38 | 2.41 | -1.21% | |
| 3 | Debt Service Coverage Ratio [PBFCDT/Interest+Interest Due + Principal repayment] | 2,665.81 | 1,956.69 | 1.36 | | 2,489.57 | 1,951.48 | 1.28 | 6.79% | |
| 4 | Return on Equity Ratio [(PAT)/(Total op. Equity+ Total cl. Equity)/2] | 86.72 | 3,463.80 | 2.5% | | 142.81 | 3,359.07 | 4.25% | -41.11% | Due to unprecedented increase in input prices profit has been reduced substantially. |
| 5 | Inventory Turnover [Sales/(op. Inventory+cl. Inventory)/2] | 28,971.17 | 6,188.71 | 4.68 | 78 | 28,377.27 | 5,682.44 | 4.99 | -6.26% | |
| 6 | Trade Receivables Turnover [Sales / (op. receivable+cl. Receivables)/2] | 28,971.17 | 2,722.15 | 10.64 | 34 | 28,377.27 | 3,060.76 | 9.27 | 14.79% | |
| 7 | Trade Payable Turnover [Net Credit purchase/(op. payables+cl. Payables)] | 17,144.16 | 5,839.85 | 2.94 | 124 | 16,625.75 | 6,063.10 | 2.74 | 7.06% | |
| 8 | Net Capital Turnover ratio [Sales/Working Capital] | 28,971.17 | 62.14 | 466.21 | | 28,377.27 | (403.38) | -70.35 | -762.72% | Company's initiative for discounting of receivables within customer's limits, accelerates the recovery and improved cash flow has been used for payment to creditors which results into improvement in 'Net Capital Turnover ratio'. |
| 9 | Net profit Ratio [PAT/Sales] | 86.72 | 28,971.17 | 0.30% | | 142.81 | 28,377.27 | 0.50% | -40.52% | Due to unprecedented increase in input prices profit has been reduced substantially. |
| 10 | Return on Capital Employed [PBFCT/ TCE=(NW+DTL+ Total Debt)] | 1,477.14 | 11,906.03 | 12.41% | | 1,456.39 | 11,699.88 | 12.45% | -0.33% | |
| 11 | Return on Investment [ROI=Interest received / Average Fix deposits] | 23.73 | 381.52 | 6.22% | | 9.52 | 181.32 | 5.25% | 18.42% | |

Note 40 : Ratios

NOTES TO FINANCIAL STATEMENTS
Note 41: Note on Corporate Social Responsibility (CSR)

- a) CSR required to be spent by the Company as per Section 135 of the Companies Act 2013 read with schedule VII thereof during the year is Rs.10.17 Lacs (Previous Year Rs.11.56 Lacs)
- b) Expenditure related to CSR is Rs.10 Lacs (Previous year Rs.12 Lacs)

Details of Amount spent towards CSR is given below:

₹ in Lacs

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|-------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| DKTE College of Engineering (Donation of IDEA Lab) | - | 1.00 |
| Raje Vikramsingh Ghatge Foundation (E-learning Kit for Education) | 2.00 | - |
| Shri Siddhivinayak Ganapati Cancer Hospital (Donation to Cancer Hospital-Related Party refer Note No.37) | 1.00 | - |
| Manufacturing Association of Kagal Hatkanagle (Skill Development Centre) | 7.00 | 11.00 |
| Total | 10.00 | 12.00 |

Note 42: Earnings Per Share (Basic and Diluted):-

₹ in Lacs except EPS

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|-------------------------------------------------------------------------|---------------------|---------------------|
| Weighted average number of Equity Shares held during the year (in Nos.) | 141.30 | 141.30 |
| Profit for the year before tax | 69.29 | 306.63 |
| Tax Expenses | (17.45) | 163.81 |
| Net Profit after Tax | 86.74 | 142.82 |
| Basic earning per Equity Share of Rs.10 each | 0.61 | 1.01 |

Note 43 : Transactions with Struck off Companies :
As on 31.03.2023

₹ in Lacs

| Name of the Struck Off Company | Nature of Transaction with Struck Off Company | Balance Outstanding | Relationship with Struck Off Company, if any, to be disclosed |
|--------------------------------|-----------------------------------------------|---------------------|---------------------------------------------------------------|
| NA | Investments in Securities | Nil | NA |
| NA | Receivables | Nil | NA |
| NA | Payable | Nil | NA |
| NA | Shares Held by Struck off Company | Nil | NA |
| NA | Other Outstanding Balances (To be Specified) | Nil | NA |

As on 31.03.2022

₹ in Lacs

| Name of the Struck Off Company | Nature of Transaction with Struck Off Company | Balance Outstanding | Relationship with Struck Off Company, if any, to be disclosed |
|--------------------------------|-----------------------------------------------|---------------------|---------------------------------------------------------------|
| NA | Investments in Securities | Nil | NA |
| NA | Receivables | Nil | NA |
| NA | Payable | Nil | NA |
| Kaveri Impex Private Limited | Shares Held by Struck off Company | 0.30 | Shareholder |
| NA | Other Outstanding Balances (To be Specified) | Nil | NA |

Note 44: Segment reporting

Company operates in single operating segment of manufacturing of castings. The executive management committee monitors the operating results of entire Company as a whole for the purpose of making decisions about resource allocation and performance assessment.

NOTES TO FINANCIAL STATEMENTS

Details of revenue contributed by single customer that exceeds 10% of total revenue:

| Name of the Customer | 2022-23 | 2021-22 |
|------------------------------------------|---------|---------|
| Vestas Wind Technology India Pvt. Ltd. | 30.31% | 48.57% |
| Vestas Nacelles America Inc. | 5.12% | 13.66% |
| Siemens Gamesa Renewable Power Pvt. Ltd. | 24.42% | 10.66% |

Note 45: Dues to Micro, Small, Medium Enterprises

The Company has compiled this information based on the current information in its possession as at March 31, 2023, no supplier has intimated the Company about its status as Micro and Small Enterprises or its registration with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006 except as disclosed below. ₹ in Lacs

| Particulars | 2022-23 | 2021-22 |
|----------------------------------------------------------------------------|---------|---------|
| Total outstanding amount in respect of micro, small and medium enterprises | 52.26 | 54.06 |
| Principal amount due and remaining unpaid | 52.26 | 54.06 |
| Interest due on above and unpaid interest | Nil | Nil |
| Interest paid | Nil | Nil |
| Payment made beyond appointment day | Nil | Nil |
| Interest due and payable for the period of delay | Nil | Nil |
| Interest accrued and remaining unpaid | Nil | Nil |
| Amount of further interest remaining due and payable in succeeding years | Nil | Nil |

Note 46 : Charge Creation

The company has registered all Details of Registration or satisfaction of charges with ROC within the prescribed time from the execution of document.

Note 47 : Foreign Exchange Earnings

Company has earned foreign currency amounting to Rs.2933.39 Lacs (Previous Year Rs.4418.26 Lacs)

Note 48 : Willful Defaulter

The company has not been declared as willful defaulter by any banks/Financial Institutions.

Note 49 : Crypto Currency or Virtual Currency

The company has not traded or invested in Crypto Currency or Virtual Currency.

Note 50 : Undisclosed Income If any

The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Also none of the previously unrecorded income and related assets have been recorded in the books of account during the year.

Note 51 : Layers of Companies

Company does not have any investment covered under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017, hence provisions of this Act are not applicable.

Note 52 : Utilisation of share premium

Not applicable

Note 53 : Compliance with approved scheme of arrangement

Not applicable

NOTES TO FINANCIAL STATEMENTS

Note 54 : Disclosure related to reporting under rule 11(e) of the companies (audit and auditors) rules, 2014, as ammended.

- 1) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or any other person or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 2) No funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 55 : Availability of books of accounts & Maintenance of backups

The Company has complied with the Rule(3) of Companies (Accounts) Rules 2014 amended on August 5, 2022, relating to the maintenance of electronic books of account and other relevant books and papers. The Company’s books of accounts and relevant books and papers are accessible in India at all times and backup of the accounts and other relevant books and papers are maintained in electronic mode within India and kept in servers physically located in India on a daily basis.

Note 56 : Regrouping of figures

Figures of the previous year have been regrouped wherever necessary.

**As per our report of even date
For M/s DAB & Associates
Chartered Accountants
Firm Registration No. 101119W**

**For and on behalf of the board of directors of
SYNERGY GREEN INDUSTRIES LTD**

**Guruprasad Bobhate
Partner
Membership No.198670**

**Sachin R. Shirgaokar
Chairman & Managing Director
DIN:00254442**

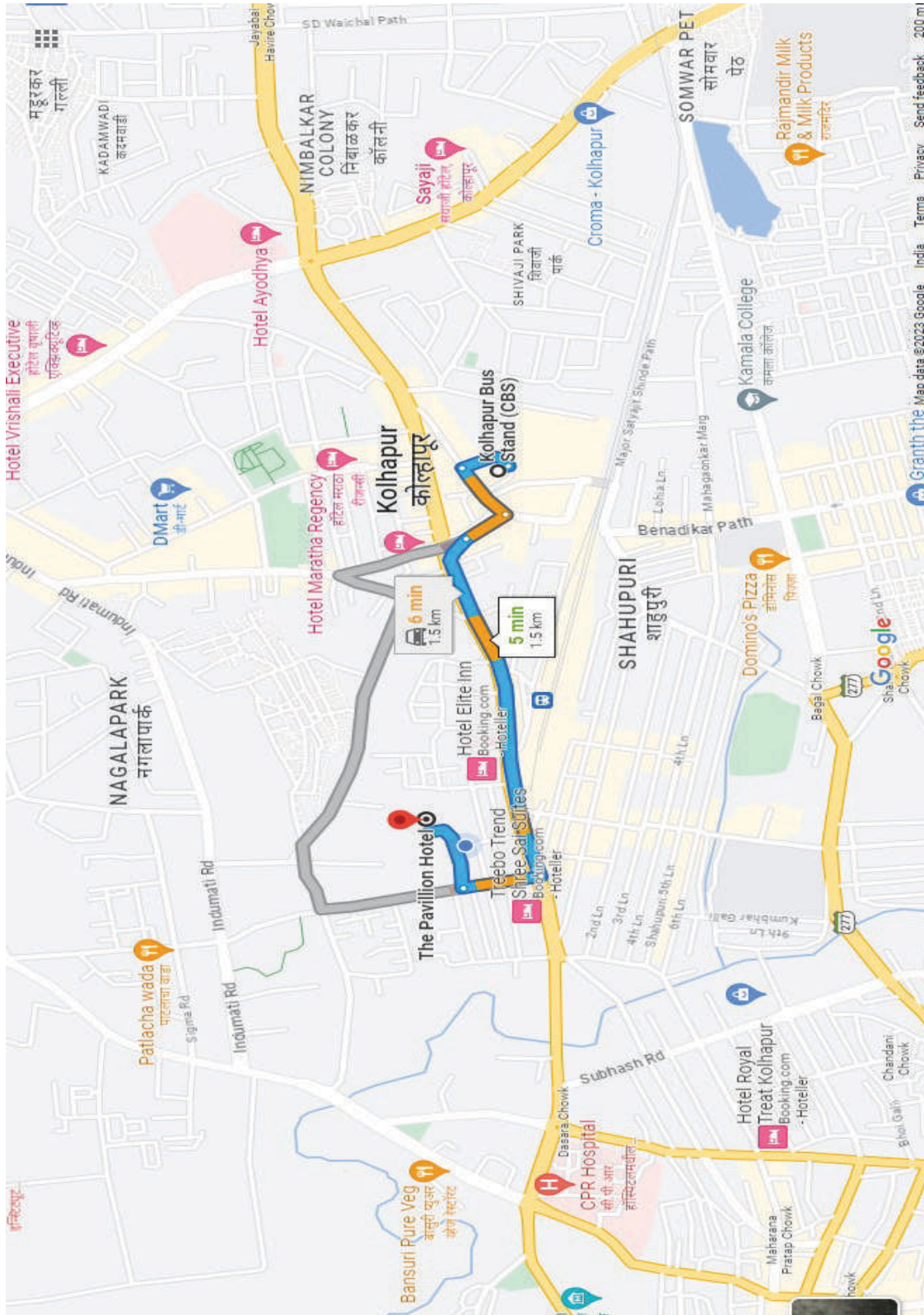
**Sohan S. Shirgaokar
Jt. Managing Director
DIN:00217631**

**Place: Kolhapur
Date: 26th May 2023**

**Suhas B. Kulkarni
Chief Financial Officer**

**Nilesh M. Mankar
Company Secretary**

ROUTE MAP



Registered Office :

392, E-Ward, Assembly Road, Shahupuri, Kolhapur-416001, Maharashtra.

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