



September 07, 2022

Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001
Scrip Code: 532717

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051
Symbol: INDOTECH

Sub: - Submission of Annual Report for 2021-22 under Regulation 34

Dear Sir / Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the financial year 2021-22 along with the Notice convening the 30th Annual General Meeting, which is being circulated to the shareholders through electronic mode.

We request you to take the same on record and acknowledge.

Yours faithfully,

For Indo Tech Transformers Limited

Manikandan M

Company Secretary & Compliance Officer

INDO TECH TRANSFORMERS LIMITED

A Subsidiary of **Shirdi Sai Electricals Limited**

CIN : L29113TN1992PLC022011

Regd. Off. : S.No. 153-210, Illuppapattu Village, P.O. Rajakulam,
Kancheepuram (Dist), Tamilnadu, India - 631 561

Tele/Fax : +91 (0) 44 - 2728 1858

Email : info@indo-tech.com

www.indo-tech.com





Environmental Health and Safety (EHS) Excellence Award

Annual General Meeting on
Thursday, September 29, 2022 through
Video Conferencing (“VC”) /
Other Audio Visual Means (“OAVM”)
at 10. 30 A.M (IST).

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COMPANY INFORMATION**Board of Directors**

N Visweswara Reddy
Non-Executive Director – Chairperson

Shridhar Gokhale
Whole-Time Director

Sharat Chandra Kolla
Non-Executive Director

Ajay Kumar Dhagat
Independent Director

Sutanu Behuria
Independent Director

Leena M Sathyanarayanan
Independent Director

Chief Financial Officer

Saikrishnan C.P.

Company Secretary & Compliance Officer

Sathyamoorthy A (Resigned w.e.f. April 30, 2022)
Manikandan M (Appointed w.e.f. May 27, 2022)

Statutory Auditors

ASA & Associates LLP, Chartered Accountants
Unit 709 & 710, 7th Floor, BETA Wing, Raheja Towers,
New Number 177, Anna Salai, Chennai – 600002
Telephone : +91 44 4904 8200

Secretarial Auditors

J B BHAVE & Co, Company Secretaries
7/9, Karan Aniket, Level 4 & 5,
Plot No. 37, Shri Varanasi Society, Behind Atul Nagar,
Off Mumbai-Bangalore By-pass, Warje, Pune - 411 058

Internal Auditors

G Balu Associates LLP, Chartered Accountants
Jammi Building, No. 123,
Royapettah High Road,
Mylapore, Chennai - 600 004

Cost Auditors

Thanigaimani & Associates, Cost Accountants
Flat A, Crystal Garden, 7 Nowroji Road, Second St,
Chetpet, Chennai - 600 031

Registrar and Transfer Agents

Link Intime India Private Limited
C-101,247 Park, L B S Marg,
Vikhroli West, Mumbai - 400 083
Telephone : 022-49186270
Fax : 022-49186060
Email : rnt.helpdesk@linkintime.co.in

Bankers

State Bank of India
Bank of Baroda
Citibank N. A.

Registered Office & Factory

Survey No.153-210, Illuppapattu Village, Near Rajakulam,
KM-64, Kancheepuram (Dist.), Tamil Nadu-631 561

NOTICE

NOTICE is hereby given that the **30TH Annual General Meeting ('AGM')** of the Members of Indo-Tech Transformers Limited will be held on Thursday, September 29, 2022 at 10.30 A.M. Indian Standard Time ("IST") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:-

ORDINARY BUSINESS:

- (1) To receive, consider and adopt the Audited Financial statements for the financial year ended March 31, 2022, and the Reports of the Directors and Auditors thereon.
- (2) To appoint a Director in place of Mr. Sharat Chandra Kolla (DIN: 08851423), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- (3) **Appointment of Mr. Sudheer Vennam (DIN: 09656671) as Director**

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

RESOLVED that pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 ("the Act") read with The Companies (Appointment and Qualifications of Directors) Rules, 2014 ("the Rules"), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mr. Sudheer Vennam (DIN: 09656671), who was appointed by the Board of Directors, as an Additional Director of the Company with effect from August 12, 2022 pursuant to Section 161 of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, who being eligible, offers himself for appointment, be and is hereby appointed as a Director of the Company and liable to retire by rotation.

- (4) **Approval of Related Party Transaction**

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

RESOLVED that pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies (Indian Accounting Standards) Rules, 2015

(including any amendment, modification or re-enactment thereof), consent of the members of the Company be and are hereby accorded for entering into the Contracts/Arrangement/Transactions with the Related Parties of the Company during the financial year 2022-23, up to the maximum amounts as appended in table below:

S. No	Name of the related party	Relationship	Maximum value of transaction to be entered during FY 2022-23
1	Shirdi Sai Electricals Limited	Holding Company	Rs 100 Crores
2	Prolec-GE Internacional S. de R L. de C. V	Promoter	Rs 20 Crores
3	All group entities which are related party to the Company.	Associate(s)	Rs 50 Crores
4	Any other person/entity which is a Related Party		

RESOLVED FURTHER that the Board of Directors be and are hereby authorised to undertake all such acts, deeds, matters and things to finalise and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to enable this resolution, and to settle any question, difficulty or doubt that may arise in this regard.

RESOLVED FURTHER that the Board of Directors be and are hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this resolution.

- (5) **Ratification of the Remuneration of the Cost Auditor**

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

RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory

modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the members of the Company be and is hereby accorded to ratify the remuneration decided by the Board of Directors, based on the recommendation of the Audit Committee, of Rs. 2,00,000/- (Rupees Two Lakhs Only) plus Tax at the applicable rates and reimbursement of out of pocket expenses to M/s. Thanigaimani & Associates, Cost Accountants, who has been appointed by the Board of Directors of the Company, for conducting the audit of the cost records of the Company for the financial year ending on March 31, 2023.

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

RESOLVED FURTHER that the Board of Directors be and are hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this resolution.

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

Place : Kancheepuram
Date : September 02, 2022

Manikandan M
Company Secretary
Membership No : A65166

Notes:

- (1) A statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts with respect to the special business set out in the Notice is annexed.
- (2) The relevant details, pursuant to Regulations 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment / re-appointment at this AGM forms part of the explanatory statement. Requisite declarations have been received from Director/s for seeking appointment/re-appointment.
- (3) The Ministry of Corporate Affairs ("MCA") has, vide its circular dated January 13, 2021 read together with circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue. The aforesaid relaxation has been extended vide MCA General Circular 02/2022 dated May 05, 2022, to allow the companies to organize AGM through VC or OAVM in the year 2022 on or before December 31, 2022. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
- (4) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- (5) Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to cskvarma@outlook.com with a copy marked to the Company at investor@indo-tech.com and to its RTA at enotices@linkintime.co.in.
- (6) The Securities and Exchange Board of India ("SEBI") vide its circular dated January 15, 2021 read with May 12, 2020 ("SEBI Circulars") has granted relaxation in respect of sending physical copies of annual report to shareholders. Further, SEBI vide its Circular dated May 13, 2022, extended the relaxation up to December 31, 2022. In compliance with the aforesaid Circulars, the Notice of the Annual General Meeting along with the Annual Report for the financial year 2021-22 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories. However, the company shall send hard copy of annual report to those shareholders who request for the same. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2021-22 will also be available on the Company's website www.indo-tech.com; websites of the Stock Exchanges. i.e. www.bseindia.com and www.nseindia.com and on the website of Link Intime India Private Limited at instavote.linkintime.co.in. Members can attend and participate in the Annual General Meeting through VC/ OAVM facility only.
- (7) Those Shareholders whose email IDs are not registered can get their Email ID registered as follows:
 - Members holding shares in demat form can get their E-mail ID registered by contacting their respective Depository Participant.
 - Members holding shares in the physical form can get their E-mail ID registered by writing to the Registrar and Share Transfer Agent-Link InTime India Pvt Ltd (RTA) on their email id enotices@linkintime.co.in.
- (8) In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 & 21 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by Institute of Company Secretaries of India, the Company is pleased to provide e-voting facility to its members to cast their right to vote electronically on the resolutions mentioned in the notice of the 30th AGM.
- (9) Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of Thursday, September 22, 2022 may cast their vote by remote e-Voting. **The remote e-Voting period commences on Monday, September 26, 2022 at 9.00 a.m. (IST) and ends on Wednesday, September 28, 2022 at 5.00 p.m. (IST).** In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (10) The remote e-Voting module shall be disabled by facility provider for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently Instructions and other information relating to e-voting is annexed as Annexure-A to this notice.
- (11) The members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the notice. Instructions and other information for members for attending the AGM through VC/OAVM is annexed as Annexure-B to this notice.

- (12) Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
- (13) Members will be provided with the facility for voting through electronic voting system during the video conferencing proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the member has already cast the vote through remote e-Voting.
- (14) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility. The e-voting module during the AGM shall be disabled by facility provider for voting 15 minutes after the conclusion of the Meeting.
- (15) The Company has engaged services of Link Intime India Pvt. Ltd. to provide e-voting facility. The Company has appointed Mr M G Kiran Varma, Practicing Company Secretary, Chennai as Scrutinizer for conducting the e-voting process in fair and transparent manner.
- (16) The Scrutinizer will submit his report to the Chairman or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges on which the Company's shares are listed and will also be displayed on the Company's website at www.indo-tech.com.
- (17) Members are encouraged to submit their questions in advance with regard to the financial statements, operation of the company or the business specified in this notice of AGM at least Seven (7) days before the date of the AGM on the email ID: investor@indo-tech.com, from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number.
- (18) Members who would like to express their views/ask questions as a speaker at the Meeting may preregister themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at least Seven (7) days before the date of the AGM on the email ID: investor@indo-tech.com. Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM.
- (19) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members at the Annual General Meeting.
- (20) The Register of Members and Share Transfer Books of the Company will remain closed from September 23, 2022, to September 29, 2022 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (21) Members are requested to quote their Registered Folio Number or Demat Account Number & Depository Participant (DP) ID number on all correspondences with the Company. The transfer deeds, communication for change of address, bank details, ECS details (if any) should be lodged with the Registrar & Share Transfer Agents ('RTA') of the Company, Link Intime India Private Limited. Members whose shares are held in the electronic mode are requested to intimate the same to their respective Depository Participants.
- (22) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
- (23) The Company is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs ('MCA'), Government of India, has by its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively; permitted companies to send official documents to their shareholders electronically as part of its Green Initiative in Corporate Governance. Recognizing the spirit of the Circular issued by the MCA, we are sending documents like Notice convening the General Meetings, Financial Statements, Directors' Report, Auditors' Report, etc., to the email address provided by you with your depositories.
- (24) Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

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

Item No. 2 and 3: Brief Profile of Directors

Information for re-appointment/ appointment of Directors as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Name of the Director	Sharat Chandra Kolla	Sudheer Vennam
DIN	08851423	09656671
Age	57	42
Date of appointment	September 03, 2020	August 12, 2022
Qualification	Graduate Mechanical Engineer from Andhra University	Mechanical Engineer from Jawaharlal Nehru Technological University, Andhra Pradesh Postgraduate in Production and Operations Management Alumnus of Chalmers University of Technology, Gothenburg, Sweden, he is also a Chartered Member of The Institution of Engineers (India).
Experience	He has rich and vast experience of 30 years plus in the fields of Manufacturing, Quality, testing and People Management. Currently he is the Chief Executive Officer of M/s. Shiridi Sai Electricals Ltd.	15 plus years of rich experience in Business Development both in domestic and International
No. of shares held as on March 31, 2022	Nil	10
Directorship in other public Companies	2	Nil
Chairman / Member of Committees of Company	Member of Audit Committee, Nomination and Remuneration Committee. Chairman of Stakeholders Relationship Committee and Corporate Social Responsibility Committee.	Nil

None of the Directors and Key Managerial personnel of the company and their relatives are concerned or interested, financial or otherwise, in the resolution.

Item No. 4: Approval of Related Party Transaction

Section 188 of the Companies Act, 2013 and Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re- enactment(s) thereof, for the time being in force) and Companies (Indian Accounting Standards) Rules, 2015 (IND AS 24) provides that for entering into Contracts/Arrangement/Transactions as prescribed in rules framed in this regard with the related party, the Company must obtain prior approval of the Board of Directors and in case such transactions are exceeding the overall limit prescribed in the rules framed in this regard, prior approval of the shareholders by way of a resolution must be obtained. Further regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 provided that all material related party transactions (i.e., transactions exceeding ten percent of annual consolidated turnover) require the approval of the Members by way of resolution.

Your company always seeks to enter into transactions with related parties in the ordinary course of business and at arm's length basis. However, the aggregate of all transactions with the related parties may exceed the threshold limits stipulated in the aforesaid Regulations, the Company is under an obligation to seek the approval of its shareholders by way of Ordinary resolution. It is therefore, proposed to seek approval of such transactions which are either existing or proposed to be entered into by the Company with related parties by way of ordinary resolution.

Board of Directors and Audit Committee of the Company have approved the proposal to enter into transactions with the related parties at their respective meeting held on February 02, 2022. Since the proposal is in the best interest of the company, your directors recommend for the approval.

The term "Related Party" referred in this context shall derive its meaning as stipulated under the Companies Act, 2013 and Companies (Indian Accounting Standards) Rules, 2015.

Pursuant to rule 15(3) of Companies (Meetings of Board and its Powers) Rules, 2014 the details of transactions are given below:

S. No	Name of the related party	Relationship	Nature of transaction	Maximum value of transaction to be entered during FY 2022-23
1	Shirdi Sai Electricals Limited	Holding Company	<ul style="list-style-type: none"> • Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of or buying property of any kind • Leasing of property of any kind • Availing or rendering of any services 	Rs 100 Crores
2	Prolec-GE Internacional S. de R L. de. C. V	Promoter	<ul style="list-style-type: none"> • Re-imbusement of expenses based on the agreement entered into by and between the Company and Promoter • Sale, purchase or supply of any goods or materials. • Availing or rendering of any services 	Rs 20 Crores
3	All group entities which are related party to the Company.	Associate(s)	<ul style="list-style-type: none"> • Sale, purchase or supply of any goods or materials. • Availing or rendering of any services 	Rs 50 Crores
4	Any other person/ entity which is a Related Party			

Except Mr. N. Visweswara Reddy and Mr. Sharat Chandra Kolla, none of the Directors and Key Managerial personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution.

Item No. 5: Ratification of the remuneration of Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and based on the recommendation of the Audit Committee, Board of Directors at their Meeting held on August 12, 2022 appointed M/s. Thanigaimani & Associates, Cost Accountants as Cost Auditor for the Financial year 2022-23 at a remuneration of Rs. 2,00,000/- (Rupees Two Lakhs Only) plus Goods and Services Tax at the applicable rates and reimbursement of out of pocket expenses.

Rule 14 of the Companies (Audit and Auditors) Rules 2014 further stipulates that the remuneration payable to the Cost Auditor is required to be ratified by the members at their general meeting. Hence this resolution is proposed.

None of the Directors and Key Managerial personnel of the company and their relatives are concerned or interested, financial or otherwise, in the resolution.

Annexure – A

Remote e-Voting Instructions for shareholders:

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

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

1. Individual Shareholders holding securities in demat mode with NSDL

1. Existing IDeAS user can visit the e-Services website of NSDL viz., <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.nsdl.com> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.

2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.

4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in 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 provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

3. Individual Shareholders (holding securities in demat mode) login through their depository participants You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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 name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form is given below:

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

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -

A. User ID: Shareholders holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.

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

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

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

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

▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

▶ Click “confirm” (Your password is now generated).

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

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).
4. After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘Custodian / Mutual Fund / Corporate Body’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘Custodian / Mutual Fund / Corporate Body’ login for the Scrutinizer to verify the same.

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

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

Helpdesk for Individual Shareholders holding securities in demat mode:

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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 022- 23058738 or 22- 23058542-43.
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Individual Shareholders holding securities in Physical mode has forgotten the password:

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

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

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

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

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

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

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

InstaVote Support Desk

Link Intime India Private Limited

Annexure – B
INSTRUCTIONS FOR SHAREHOLDERS/ MEMBER TO ATTEND THE
ANNUAL GENERAL MEETING THROUGH INSTAMEET (VC/OAVM)

Process and manner for attending the Annual General Meeting through InstaMeet:

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

▶ Select the “**Company**” and ‘**Event Date**’ and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

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

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

▶ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

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

1. Shareholders who would like to speak during the meeting must register their request 7 days in advance with the company on the email id investor@indo-tech.com
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

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

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

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

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted

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

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

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

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

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

InstaMeet Support Desk

Link Intime India Private Limited

DIRECTORS' REPORT

Your Directors are pleased to present the Company's 30th Annual Report together with the Audited Financial Statements for the financial year ended **March 31, 2022**.

FINANCIAL RESULTS

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

(Rupees in lakhs)

PARTICULARS	Current	Previous
	Year	Year
	2021-2022	2020-2021
Revenue from Operations	28,006.73	20,599.91
Other Income	168.51	291.70
Total Income	28,175.24	20,891.61
Earnings before Depreciation, Interest & Tax	1,857.56	1,154.72
Less: Interest, Depreciation & Amortization Expenses	609.97	519.43
Earnings Before Tax	1,247.59	635.29
Less: Tax Expenses	28.64	6.71
Earnings After Tax	1,218.95	628.58
Other Comprehensive Income/ (Expense)	(29.68)	41.76
Total Comprehensive income	1,189.27	670.34

Financial results for the financial year ended March 31, 2022, are prepared in compliance with the Indian Accounting Standards (Ind- AS) prescribed under Section 133 of the Companies Act, 2013.

PERFORMANCE REVIEW

The COVID-19 pandemic, continued to be a global challenge, creating disruption across the world. During the first half of the FY 2021-22, the second wave of the pandemic overwhelmed the Indian markets. The impact of Covid-19 was felt across the economy and businesses. However, the product segment backed up the quality and balanced portfolio of orders, resulted in sustained position in the market and improved overall performance of the Company with focused initiatives countering the challenges posed by Covid-19 pandemic.

Despite the challenging market and limitations posed by the pandemic, the Company has reported annual revenue for FY 2021-22 INR 28,006.73 Lakhs which is 36% increase from previous year revenue of INR 20,599.91 Lakhs. The EBITDA for the FY 2021-22 stood at INR 1,857.56 Lakhs reporting a growth

of 64% as compared to the EBITDA of INR 1,154.72 for the FY 2020-21. The Profit After Tax (PAT) for the FY 2021-22 stood at INR 1,218.95 Lakhs reporting a growth of 94% as compared to the PAT of INR 628.58 Lakhs for the FY 2020-21.

Our focus currently is to improve productivity, control the non-operational cost and deliver the best quality transformers. The price pressure is immense, and it is impacting the entire industry. In the challenging environment, with improved sourcing strategies and cost optimization our focus is to improve and sustain the margin in the coming years.

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company comprises of six experienced directors from diverse areas, which enables the Board to provide effective leadership to the Company. Composition of the Board is in conformity with the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the Financial Year 2021-2022, there were no changes in the composition of the Board.

The Board of Directors of the Company during the financial year was as follows:

Mr. Visweswara Reddy	– Chairman & Non-Executive Director
Mr. Shridhar Gokhale	– Whole-Time Director
Mr. Sharat Chandra Kolla	– Non-Executive Director
Mr. Ajay Kumar Dhagat	– Independent Director
Dr. Sutanu Behuria	– Independent Director
Ms. Leena M Sathyanarayanan	– Independent Director

The Key Managerial Personnel of the Company during the financial year was as follows:

Mr. Shridhar Gokhale	– Whole-Time Director
Mr. Sai Krishnan C. P.	– Chief Financial Officer
Mr. Sathyamoorthy A*	– Company Secretary

There were no changes in the composition of Key Managerial Personnel of the Company during the financial year.

*Mr. Sathyamoorthy A, Company Secretary resigned with effect from April 30, 2022.

Mr. Manikandan M was appointed as Company Secretary with effect from May 27, 2022.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met Five (5) times during the financial year. The said meetings were held on June 22, 2021; August 09, 2021; September 14, 2021; November 10, 2021; and February 02, 2022.

The provisions of Companies Act, 2013 and Listing Regulations were adhered to while considering the time gap between two meetings. The necessary quorum was present for all the meetings.

BOARD COMMITTEES

Board Committees plays a vital role in improving the Board effectiveness in areas where more focus and discussions are required. Board has constituted three Committees in accordance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and its composition during the year are as follows:

S. No	Name of the Committee	Composition
1.	Audit Committee	i) Mr. Ajay Kumar Dhagat, Chairman ii) Dr. Sutanu Behuria, Member iii) Mr. Sharat Chandra Kolla, Member iv) Ms. Leena M Sathyanarayanan, Member
2.	Nomination and Remuneration Committee	i) Mr. Ajay Kumar Dhagat, Chairman ii) Dr. Sutanu Behuria, Member iii) Mr. Sharat Chandra Kolla, Member
3.	Stakeholders' Relationship Committee	i) Mr. Sharat Chandra Kolla, Chairman ii) Mr. Ajay Kumar Dhagat, Member iii) Mr. Shridhar Gokhale, Member
4.	Corporate Social Responsibility Committee*	i) Mr. Sharat Chandra Kolla, Chairman ii) Ms. Leena M Sathyanarayanan, Member iii) Mr. Shridhar Gokhale, Member

*The CSR committee was constituted by the Board of Directors at their meeting held on June 22, 2021, in compliance with the Section 135, Rules made thereunder and Schedule VII of companies Act, 2013.

Details in respect of each Committee during the year are provided in the Corporate Governance Report forming part of the Directors' Report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors

make the following statements in terms of Section 134(3) (c) and 134 (5) of the Act, that;

- In the preparation of the annual financial statements for the financial year ended March 31, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2021-22 and of the statement of Profit of the Company for the year under review;
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
- The Directors had prepared the accounts for the financial year ended March 31, 2022, on a 'going concern basis';
- The Directors had laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and were operating effectively;
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

NOMINATION AND REMUNERATION POLICY

In terms of Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Company's policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

As a policy, the sitting fees paid to the independent directors was Rs. 30,000/- per meeting per person for attending the Board and Audit Committee Meetings and Rs. 5,000/- per meeting per person for attending Stakeholders Relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee meetings.

SUCCESSION PLANNING

The Company believes that sound succession plans for the senior leadership are very important for creating a robust future for the Company. The Nomination and Remuneration

Committee in consultation with the Board of Directors work along with the Human Resource team of the Company for a structured leadership succession plan.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not provided any loans, guarantee or made any investments covered under section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF COMPANIES ACT, 2013

The particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013, is appended as Annexure "I".

STATUTORY AUDITORS

Pursuant to Section 139 of the Companies Act, 2013, M/s. ASA & Associates LLP, Chartered Accountants (Firm Registration No. 009571N/N500006), have been appointed as Statutory Auditors for a period of five (5) years commencing from financial year 2020-21 and shall hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2025.

SECRETARIAL AUDITORS / SECRETARIAL AUDIT REPORT

Pursuant to provisions of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments thereto, your Company engaged the services of M/s. J B Bhavé & Co., Company Secretaries, Pune to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2022.

The Secretarial Audit Report in Form MR-3 is given in Annexure – II, forming part of this report.

COMMENTS ON AUDITORS' REPORT / SECRETARIAL AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. ASA & Associates LLP, Statutory Auditors, in their report and by M/s. J B Bhavé & Co., Company Secretaries in their secretarial audit report.

COST AUDITORS

As per the requirements of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended

from time to time, your Company has been carrying out audit of cost records of the Company. The Cost audit report for the F.Y. 2021-22 was conducted by M/s. Thanigaimani & Associates, Cost Accountants and the report of the cost auditor has been filed with the Ministry of Corporate Affairs.

The Board of Directors, on the recommendation of Audit Committee, has appointed M/s. Thanigaimani & Associates, Cost Accountants as Cost Auditor to audit the cost records of the Company for the F.Y. 2022-23 at a remuneration of Rs.2,00,000/- (Rupees Two Lakhs only) plus Good and services Tax. As required under the Companies Act, 2013 a resolution seeking members approval for the remuneration payable to the Cost Auditors forms part of the Notice convening the Annual General Meeting.

DIVIDEND

Considering the accumulated losses and keeping in mind to source to finance the future business plans with internal funds, no dividend has been recommended by the Board of Directors of the Company for Financial Year 2021-22.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Act and the Listing Regulations. Further, the Independent Directors, at their exclusive meeting held on March 30, 2022, reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the Listing Regulations.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, also form part of this Annual Report. However, having regard to the provisions of

second proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information, is being sent to all the members of the Company and others entitled thereto. The said information is open for inspection and any member interested in obtaining the same may write to the Company Secretary and will be furnished on request.

CORPORATE GOVERNANCE

Your Company is committed to good corporate governance aligned with the best corporate practices. A separate Report on Corporate Governance is provided as a part of this Annual Report, besides the Management Discussion and Analysis.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has a Policy on Corporate Social Responsibility and has constituted a CSR Committee as required under the Act for implementing various CSR activities. Composition of the Committee and other details are provided in Corporate Governance Report. Since the company does not have average net profit in last three years, the amount required to be spent under CSR for the FY 2021-22 is Nil. The disclosure with respect to CSR activities forming part of this report is given as Annexure - III.

Apart from the regulatory requirements, the company's approach towards CSR is holistic and integrated with the core business strategy for addressing social and environmental impacts of business. The Company is committed to undertake the CSR activities to address the well-being of all stakeholders and not just the company's shareholders.

FIXED DEPOSITS / PUBLIC DEPOSITS

Your Company has not accepted any fixed deposits or Public Deposits covered under Chapter V of the Companies Act, 2013 and, as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

INTERNAL FINANCIAL CONTROLS

The Company has an adequate system of Internal Financial Controls in place with reference to the financial statements. Audit Committee periodically reviews the Internal Financial Control and Risk Assessment System of the Company. During the year, Internal Financial Controls were tested and no material weaknesses in the design or operating effectiveness were observed.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has a "Vigil Mechanism (Ombuds & Open Reporting Procedure)" to provide an avenue to stakeholders, including employees and directors, to report concerns related to any actual or potential violation of law or violation of the

Company's Code of conduct. The mechanism provides for adequate safeguards against victimization of Director(s) and Employee(s) who avail of the mechanism.

The Whistle Blower Policy is explained in corporate governance report and also placed on the notice board and the website of the Company at www.indo-tech.com

RISK MANAGEMENT FRAMEWORK

The Company has formulated a Risk Management policy to identify, assess, monitor and mitigate various risks to the Company. Identified risks and the mitigation plans are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

ANNUAL RETURN

As per provisions of Section 92 (3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the copy of the Annual Return in the Form MGT-7 is hosted on website of your Company at www.indo-tech.com

SECRETARIAL STANDARDS

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information as prescribed under Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is as follows:

A. CONSERVATION OF ENERGY

Your Company has constantly been emphasizing on optimization of energy consumption in every possible area. Further, your company acknowledges that power conservation is a necessity not only for future availability, but also for environmental safety. Various avenues are being explored at periodic interval and after careful analysis, planning measures are being initiated to minimize the consumption of energy by optimum utilization of energy consuming equipment. Your Company is not a power intensive industry and hence the scope for saving of energy is limited. However, the following energy saving measures has been carried out.

- a) Your Company has 2 windmills in Tirunelveli, Tamil Nadu. The Company is adjusting the units generated against consumption at factory. This has reduced per unit energy cost to the Company.

- b) Your company has in place adequate safeguards against excessive consumption and wastage of energy, in form of energy-friendly apparatus, modern technologies as well as minimal usagemechanism.

B. TECHNOLOGY ABSORPTION RESEARCH & DEVELOPMENT:

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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company's exposure to foreign currency risk at the end of the reporting period mentioned in Note 29 to the financial statements for the year ended March 31, 2022.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee ("ICC") has been set up to redress the complaints received regarding sexual harassment. All employees are covered under this policy.

During the financial year 2021-22, there were no cases reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

SUBSIDIARY COMPANIES

As at March 31, 2022 there is no subsidiary company.

ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.

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

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

ONETIME SETTLEMENT WITH ANY BANK OR FINANCIAL INSTITUTION

The Company has not entered into one-time settlement with any banks or financial institutions.

ACKNOWLEDGEMENTS

Your Directors express their appreciation of the continued cooperation of Governments and Government agencies, bankers, customers, suppliers and also the valuable assistance and guidance received from Shirdi Sai Electricals Limited, Xignux, Prolec GE and all the shareholders. Your Directors also wish to thank all employees for their contribution, support and continued cooperation during the financial year and are deeply grateful to the shareholders of the Company for the confidence and faith.

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

Sharat Chandra Kolla
Director
DIN : 08851423

Shridhar Gokhale
Whole-Time Director
DIN : 08349732

Place: Kancheepuram
Date : May 27, 2022

Annexure - I
Form No. AOC-2

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

This form pertains to the disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

(i) Details of contracts or arrangements or Transactions not at arm's length basis: Nil

(ii). Details of material contracts or arrangement or transactions at arm's length basis:

The contracts or arrangements or transactions entered with the related parties during the financial year 2021-22 were not material and the same were disclosed in the notes to accounts forming part of the financial statements for the year ended March 31, 2022.

For and on behalf of the Board of Directors

INDO-TECH TRANSFORMERS LIMITED

Place : Kancheepuram

Date : May 27, 2022

Sharat Chandra Kolla

Director

DIN:08851423

Shridhar Gokhale

Whole-Time Director

DIN : 08349732

Annexure - II
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2022

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

To,
The Members
M/S. INDO-TECH TRANSFORMERS LIMITED
Survey No. 153-210, Illuppapattu Village
Near Rajakulam, Kancheepuram (Dist)
Kancheepuram - 631561
Tamil Nadu

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Indo-Tech Transformers Limited**. (Hereinafter called "the Company").

Secretarial Audit was conducted for the period from 1st April 2021 to 31st March 2022, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances of the Company and expressing my opinion thereon. I have been engaged as Secretarial Auditor of the Company to conduct the Audit of the Company to examine the compliance of Companies Act, SEBI Regulations and the other laws listed below.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities And Exchange Board of India warranted due to spread of the COVID-19 pandemic, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2022 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and legal compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have conducted physical and online verification and examination of records according to the provisions of the following list of laws and regulations, as facilitated by the Company from time to time for the purpose of issuing this report

for the financial year ended on 31st March 2022

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. **[SEBI (SAST) Regulations 2011]**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **[Not applicable during the Audit Period]**

(d) Securities and Exchange Board of India SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021; **[Not applicable during the Audit Period]**

(e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not applicable during the Audit Period]**

(f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **[Not applicable during the Audit Period]**

(g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not**

applicable during the Audit Period]

(h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **[Not applicable during the Audit Period]**

(vi) Other Applicable Laws: As informed by the management, there are no other laws applicable specifically to the Company.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

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

I further report that: -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the

Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the year under report:

1. The open offer of Shirdi Sai Electricals Limited was completed in September 2020 and it had become the new promoter of the Company holding 73.64 % shares along with its Persons Acting in Concert (PAC) within the meaning of the SEBI (SAST) Regulations 2011
2. Prolec GE, continued to hold 4.99% stake in the company as the second promoter. There were two promoters for the period under review i.e. in financial year 2021-22, and the consolidated holding of promoters after such acquisition was exceeding 75% (Prolec GE-4.99% and Shridi Sai Electricals Limited-73.64%).
3. As such Shridi Sai Electricals Limited made an Offer For Sale (OFS) in the Month of August, 2021 and sold its stake of 3.63% in order to reduce the promoters holding to the stipulated limit of 75%. Now the promoters of the company hold 75% of paid-up capital of the company as on 31st March, 2022.

This Report should be read along with our letter of even date annexed as Annexure and forms part of this Report for all purposes.

For J B Bhavé & Co.
Company Secretaries

Jayavant B. Bhavé
Proprietor

FCS: 4266 CP: 3068
PR NO: 1238/2021

UDIN:F004266D000370951

Place : Pune

Date : May 27, 2022

ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF INDO-TECH TRANSFORMERS LIMITED (2021-2022)
AUDITORS' RESPONSIBILITY

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

In accordance with the ICSI Auditing Standards (CSA1 to CSA4) I wish to state as under-

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

For J B Bhavé & Co.
Company Secretaries

Jayavant B. Bhavé
Proprietor
FCS: 4266 CP: 3068
PR NO: 1238/2021
UDIN:F004266D000370951

Place : Pune
Date : May 27, 2022

Annexure – III
Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2021-22
1. Brief outline on CSR Policy of the Company.

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

2. Composition of CSR Committee:

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

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

https://www.indo-tech.com/wp-content/uploads/2022/09/indotech_csr_Policy.pdf

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

Not Applicable

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

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

6. Average net profit of the company as per section 135(5) : Nil
7. (a) Two percent of average net profit of the company as per section 135(5) : Not Applicable

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : Not Applicable

(c) Amount required to be set off for the financial year, if any : Not Applicable

(d) Total CSR obligation for the financial year (7a + 7b + 7c) : Nil

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

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

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

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

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

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.)	Mode of implementation Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR Registration Number
Not Applicable									

(d) Amount spent in Administrative Overheads : Not Applicable

(e) Amount spent on Impact Assessment, if applicable : Not Applicable

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

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	Not Applicable
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

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

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

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

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

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

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

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

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

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

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

There are no average net profits for the Company during the previous three financial years, hence, no funds were set aside and spent by the Company towards CSR during the year under review.

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

Place : Kancheepuram
Date : May 27, 2022

Sharat Chandra Kolla
Director
DIN:08851423

Shridhar Gokhale
Whole-Time Director
DIN : 08349732

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance revolves around principles of ethical governance and is aimed at conducting business in an efficient and transparent manner in meeting its obligations towards the shareholders and other stakeholders. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all.

We believe that any business conduct can be ethical only when its core values doesn't compromise on the Integrity, Transparency and continuous improvement towards stakeholder preferences. Effectual Corporate governance requires a clear understanding of the respective roles of the Board and the senior management and their relationships with others in the corporate structure. During the year under review, the Board continued its pursuit of achieving these objectives through the adoption and monitoring of corporate strategies, prudent business plans, monitoring of major risks of the company's business and ensuring that the company pursues policies and procedures to satisfy its legal and ethical responsibilities.

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is provided herein.

GOVERNANCE STRUCTURE

Governance structure comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. The Company has a strong legacy of fair, transparent and ethical governance practices. This brings about an effective environment for value creation. At the core of its corporate governance practice is the board, which is responsible for safeguarding and advancing the interests of the shareholders, acting as their representative in establishing corporate policies and reviewing management's execution of those policies. The Board of Directors fully support and endorse Corporate Governance practices and attempt to go beyond the statutory requirements.

BOARD OF DIRECTORS

The Board of Directors of the Company has an optimal combination of Executive, Non-Executive and Independent Directors who have in-depth knowledge of business, in addition to the expertise in their areas of specialization. The Board of Directors has the primary responsibility to oversee the operations of the Company. The Board comprises of Six Directors viz., three Independent and three Non-Independent, out of which, one Independent Director is a Woman Director. The Chairman of the Board is a Non- Executive and Non-Independent Director. The composition of Board is as follows:

Director	Category	DIN	DOA	Committee memberships (excluding in the Company)		Directorship (s) held in Indian Public Limited Companies	No of shares held in the Company
				Chairman	Member		
Mr. Visweswara Reddy	C & NED	02996298	03/09/20	1	--	3	--
Mr. Shridhar Gokhale	WTD	08349732	07/02/19	--	--	--	5000
Mr. Sharat Chandra Kolla	NED	08851423	03/09/20	--	--	2	--
Mr. Ajay Kumar Dhagat	NED (I)	00250792	13/08/20	--	2	3	--
Dr. Sutanu Behuria	NED (I)	00051668	19/08/20	--	4	3	--
Ms. Leena M Sathyanarayanan	NED (I)	08947423	05/11/20	--	--	--	--

Notes:

- I. Category: C-Chairman, NED – Non-executive Director, WTD- Whole-Time Director, NED (I) – Non-executive Director and Independent.
- II. The Directorships held by Directors as mentioned above, do not include Alternate Directorships, Directorships of Foreign Companies, Section 8 Companies and Private Limited Companies.
- III. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all companies in which they are Directors.

MATRIX OF SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD

The Board of Directors of the company do possess fair level of skills/expertise/competencies, which are essential for the functioning of the Company in an effective manner

- i) Business Knowledge - understand the Company's business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates
- ii) Behavioral Skills - attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders
- iii) Strategic thinking and decision making
- iv) Law & policies - Awareness of the existing law and economical policies applicable to the Company thereby ensuring proper legal and statutory compliances and appropriate application of policies to the advantage of the Company.
- v) Financial Expertise - Expertise in accounting and financial control functions. Possessing analytical skills. Expertise in preparation of financial strategies for the long term growth of the business of the Company
- vi) Technical/Professional skills and specialized knowledge to assist the ongoing aspects of the business.

Director Name	Skills / Expertise/ Competence
Mr. Visweswara Reddy	Business knowledge, industry experience, behavioral skills, strategic decision making, law & policies and technical skills/ professional skills
Mr. Shridhar Gokhale	Business knowledge, industry experience, behavioral skills, strategic decision making, law & policies and technical/ professional skills
Mr. Sharat Chandra Kolla	Business knowledge, industry experience, behavioral skills, strategic decision making, law & policies and technical skills/ professional skills
Mr. Ajay Kumar Dhagat	Business knowledge, industry experience, leadership, behavioral skills, strategic decision making, financial expertise, law & policies and technical skills/ professional skills
Dr. Sutanu Behuria	Business knowledge, behavioral skills, strategic decision making, financial expertise, law & policies and technical skills/ professional skills
Ms. Leena M Sathyanarayanan	Behavioral skills, strategic decision making, financial expertise and technical skills/ professional skills

MEETINGS OF BOARD OF DIRECTORS

Frequency: The Board meets once in every quarter to review the quarterly results and other items of the Agenda. Whenever necessary, additional meetings are held. In case of business exigencies or urgency of matters, decisions will be taken on the basis of resolutions passed by circulation and the same will be confirmed in the next Board / Committee Meeting.

Meetings Calendar: The probable dates of the Board / Committee Meetings for the forthcoming year are decided well in advance in order to facilitate and assist the Directors to plan their schedules for the Meetings. The indicative annual calendar of the Meetings forms part of this Report.

Board Meeting Location: The location of the Board / Committee Meetings is informed well in advance to all the Directors. Each Director is expected to attend the Board / Committee Meetings.

Notice and Agendas distributed in advance: The Company's Board / Committees are presented with detailed notes, along with the agenda papers, well in advance before the Meeting. The Agendas for the Board / Committee Meetings are set by the Company Secretary in consultation with the Chairman of the Board / Committees. All material information are incorporated in the Agenda for facilitating meaningful and focused discussions at the Meeting. Where it is not practical to attach any document to the Agenda, the same is tabled before the Meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary items on the Agenda are permitted. The Board periodically reviews compliance reports of laws applicable to the Company, prepared and placed before the Board by the Management.

Presentations by Management: The Board / Committee is given presentations, wherever practicable covering finance, sales, order book, major business segments and operations of the Company, including business opportunities, business strategy, risk management practices and operating performance of the Company before taking on record the financial results of the Company.

Minutes of the Meetings: The draft Minutes of the proceedings of the Meetings are circulated amongst the Directors/Members of the Board / Committees within fifteen days from the conclusion of the Meeting. Comments and suggestions, if any, received from the Directors/Members are incorporated in the Minutes, in consultation with the Chairman. The Minutes are confirmed by the Directors/Members and signed by the Chairman at the next Board / Committee Meetings. All Minutes of the Committee Meetings are placed before the Board Meeting for perusal and noting.

The Board of Directors met Five (5) times during the financial year. The said meetings were held on June 22, 2021; August 09, 2021; September 14, 2021; November 10, 2021; and February 02, 2022.

Director Name	Attendance on Meetings held on					AGM
	22 Jun 2021	09 Aug2021	14 Sep 2021	10 Nov 2021	02 Feb2022	08 Sep2021
Mr. Visweswara Reddy	LoA	✓	LoA	✓	✓	✓
Mr. Shridhar Gokhale	✓	✓	✓	✓	✓	✓
Mr. Sharat Chandra Kolla	✓	✓	✓	✓	✓	✓
Mr. Ajay Kumar Dhagat	✓	✓	✓	✓	✓	✓
Dr. Sutanu Behuria	✓	✓	LoA	✓	✓	✓
Ms. Leena M Sathyanarayanan	✓	✓	✓	LoA	✓	✓

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

INDEPENDENT DIRECTORS

To ensure highest standards of integrity, corporate credibility, transparent governance and also to uphold the interests of Stakeholders, Company has conferred significant powers and responsibilities to three directors who are independent from the Management.

CONFIRMATION FROM THE INDEPENDENT DIRECTORS

The Independent Directors of the Company satisfies the requirements laid down under section 149(6) of the Companies Act 2013 and Regulation 16(1) (b) of the Listing Regulations. In compliance with section 149 (7) of the Companies Act 2013, Company has received a declaration from each of the Independent Directors. In opinion of the Board, the independent Directors comply with the criteria of independence as laid down under Listing Regulations and Section 149(6) of the Companies Act 2013.

The following Non - Executive Directors are considered as Independent Directors:-

Mr. Ajay Kumar Dhagat

Dr. Sutanu Behuria

Ms. Leena M Sathyanarayanan

Meetings of the Independent Directors:A separate meeting of Independent Directors was held during the year without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting.

Familiarization Programme: The Familiarization Program is aimed to provide insights of the Company to enable the Independent Directors to understand the Company's business in depth that would facilitate their active participation in managing the Company and to update the independent directors on a continuing basis on any significant changes therein so as to be in a position to take well-informed and timely decision. Company has adopted Familiarization policy and the same is available on the Company's website. Website link: <http://www.indo-tech.com>.

BRIEF RESUME OF DIRECTOR SEEKING APPOINTMENT / RE- APPOINTMENT:

A brief resume of Directors seeking appointment / re- appointment at the Thirtieth Annual General Meeting is given as part of the Notice of the Annual General Meeting.

DISCLOSURE OF DIRECTORS' AND OTHERS INTEREST IN TRANSACTIONS WITH THE COMPANY

None of the Directors except Mr. N. Visweswara Reddy and Mr. Sharat Chandra Kolla, Key Managerial Personnel and Senior Management, whether directly, indirectly or on behalf of third parties, had any material interest in any transaction or matter directly affecting the Company pursuant to the provisions of Regulation 4(2)(f) of the Listing Regulations. None of the Directors of the Company are related to each other.

COMMITTEE OF DIRECTORS

The Board has constituted Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee to primarily focus and deal on the issues in the respective areas effectively and to use director's time more efficiently.

The functioning of all the Committees of the Board of Directors is guided by well-laid down terms of references that have been framed keeping in view the requirements prescribed for such Board Committees under the provisions of the Companies Act, 2013 and Listing Regulations.

During the financial year, each Committee has played a significant role in upholding and nurturing the principles of good governance and assisting the Board of Directors in discharging its duties and responsibilities.

AUDIT COMMITTEE:

The Audit Committee acts on the terms of reference given by the Board pursuant to Section 177 of the Companies Act, 2013 and

Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Audit Committee reviews with Management, the Statutory Auditors and the Internal Auditors all aspects of the financial results, effectiveness of internal audit processes, taxation matters and the Company's risk management strategy. It assists the Board in fulfilling its responsibilities in monitoring and reviewing financial processes, governance and reviewing statutory and internal audit activities.

Composition: The Audit Committee consists of three Independent Directors and one Non-Executive Director. Company Secretary of the Company is acting as Secretary of the Audit Committee.

Meetings and Attendance: The Committee members met five times during the financial year ended March 31, 2022. The Attendance of members at the Committee Meetings is given below:

Members	Attendance on Meetings held on				
	22 Jun 2021	09 Aug 2021	14 Sep 2021	10 Nov 2021	02 Feb 2022
Mr. Ajay Kumar Dhagat, Chairman	✓	✓	✓	✓	✓
Dr. Sutanu Behuria	✓	✓	LoA	✓	✓
Ms. Leena M Sathyanarayanan	✓	✓	✓	LoA	✓
Mr. Sharat Chandra Kolla	✓	✓	✓	✓	✓

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

The terms of reference are briefly described below:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the Board, appointment, re-appointment, replacement or removal (in the event of necessity) of Statutory Auditors, Cost Auditors and/or any other auditors including fixation of remuneration.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Review, with the management, the annual financial statements before submission to the Board for approval.
- Review and monitor the Internal Audit Report and the effectiveness on the Risk Management Plan and Internal Financial Controls.
- Review adequacy of internal control systems, internal audit department, reporting structure and frequency, whistle blower mechanism, statutory compliances.
- Approval or any subsequent modification of Related Party Transactions of the Company.

The Audit Committee is vested with the necessary powers to achieve its objectives. The Committee has discharged such other role/function as envisaged under Regulation 18 (3) read with Part C of Schedule II of the Listing Regulations and the provisions of Section 177 of the Act.

NOMINATION AND REMUNERATION COMMITTEE:

The terms of reference and role of the Nomination and Remuneration Committee are as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations which includes formulating the criteria to:

- Determine qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

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

Committee met for two times during the financial year ended March 31, 2022. The Attendance of Members at the Meetings held during the financial year is given below:

Members	Attendance on Meetings held on	
	22 Jun 2021	02 Feb 2022
Mr. Ajay Kumar Dhagat, Chairman	✓	✓
Dr. Sutanu Behuria	✓	✓
Mr. Sharat Chandra Kolla	✓	✓

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Committee focuses primarily on monitoring and ensuring that the shareholder and investor services operate in an efficient manner and that all Stakeholders grievances / complaints are addressed promptly with the result that all issues are resolved rapidly and efficiently.

The said Committee has been authorized to approve the transfer/ transmission/ transposition of shares and issue of duplicate share certificates.

The Committee consisted of one non-executive director, one independent director and one executive director. Mr. Sathyamoorthy A, Company Secretary of the Company is the Compliance officer and Secretary of the Committee.

Composition and the attendance of Members at the Meetings held during the financial year ended March 31, 2022 is given below:

Members	Attendance on Meetings held on	
	22 Jun 2021	09 Aug 2021
Mr. Sharat Chandra Kolla, Chairman	✓	✓
Mr. Ajay Kumar Dhagat	✓	✓
Mr. Shridhar Gokhale	✓	✓

INVESTOR GRIEVANCES REDRESSAL STATUS

No complaints were received from the Shareholders during the period. All queries and requests from the shareholders are well addressed and resolved to their satisfaction and as on the date of the report no queries were held as unattended.

Particulars	Numbers
Number of Complaints outstanding as at April 01, 2021	0
Number of Complaints received during the year ended March 31, 2022	0
Number of Complaints resolved during the year ended March 31, 2022	0
Number of Complaints outstanding as at March 31, 2022	0

NAME, DESIGNATION AND ADDRESS OF COMPLIANCE OFFICER

Mr. Manikandan M, Company Secretary

Address: Survey No. 153-210, Illuppapattu Village Near Rajakulam, Kancheepuram (Dist.), Tamilnadu – 631561, Phone: 044-27281854

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The CSR committee was constituted by the Board of Directors at their meeting held on June 22, 2021 in compliance with the Section 135, Rules made thereunder and Schedule VII of companies Act, 2013.

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

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per Schedule VII of the Companies Act, 2013 and CSR Rules made thereunder
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- To monitor the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The Committee consisted of two Non-Executives Directors and an independent Director. The Company Secretary as the Secretary of the Committee.

Committee met once during the financial year ended March 31, 2022. The Attendance of Members at the Meetings held during the financial year is given below:

Members	Attendance on Meetings held on
	09 Aug 2021
Mr. Sharat Chandra Kolla, Chairman	✓
Mr. Shridhar Gokhale	✓
Ms. Leena M Sathyanarayanan	✓

Since, the company does not have average net profit in last three years, the amount required to be spent under CSR for the FY 2021-22 is Nil.

Performance evaluation criteria for Independent Directors (ID):

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Directors. The framework of performance evaluation of the Independent Directors captures the participation of the Directors in the Board proceedings and his/her effectiveness, contribution at the meetings, guidance / support to the Management.

REMUNERATION TO DIRECTORS

(I) Remuneration policy

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company has formulated a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

The remuneration policy framed by the Nomination and Remuneration Committee warrants the Committee to decide

GENERAL MEETINGS AND EXTRA ORDINARY GENERAL MEETINGS:

The particulars of Location, date and time of the Annual General Meeting held during the last 3 years and Special Resolutions passed thereat:

For the Financial Year ended	Date and Time	Venue	Special Resolutions Passed
March 31, 2021	September 08, 2021 At 10.30 A.M	Registered Office of the Company, Kancheepuram District, Tamil Nadu Through Video Conference / Other Audio-Visual Mode (OAVM)	NIL
March 31, 2020	October 16, 2020 At 10.30 A.M	Registered Office of the Company, Kancheepuram District, Tamil Nadu Through Video Conference / Other Audio Visual Mode (OAVM)	• Appointment of Mr. Ajay Kumar Dhagat (DIN: 00250792) as Independent Director
March 31, 2019	August 14, 2019 At 01.30 P.M	Hotel Fairfield By Marriott, FSP, Mambakkam, Sriperumbudur, Kancheepuram District, Tamil Nadu 602105	• Appointment and Fixing of Remuneration to Mr Shridhar Gokhale as Whole Time Director • Appointment of Mr M S Srinivasan as Independent Director

the remuneration and other areas which falls under the terms of reference of the Committee.

(II) Remuneration of Non-Executive Independent Directors

The Remuneration paid to Non-Executive Independent Directors as sitting fees for the financial year ended March 31, 2022 is summarized below:

Name	Sitting fees (in Rs.)
Mr. Ajay Kumar Dhagat	3,20,000
Mr. Sutanu Behuria	2,50,000
Ms. Leena M Sathyanarayanan	2,45,000
Total	8,15,000

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

(III) Remuneration of Executive Directors

Remuneration to Executive Directors being paid as per the Service Agreements entered with them subject to the limits specified as per the provisions of the Companies Act, 2013. The details are mentioned below:

S. No	Particulars of Remuneration	Mr Shridhar Gokhale, Whole Time Director
1	Gross Salary	89.58
2	Stock Options	--
3	Others (Incentives)	--
Total		89.58

The particulars of Extra-Ordinary General Meetings held during the last three years are as under:

NIL

The particulars of Special Resolutions passed through Postal Ballot held during the last year are as under:

NIL

MEANS OF COMMUNICATION:

The Annual Report, Quarterly, Half-Yearly and Annual Financial Results, Shareholding Pattern, Intimation of the Board Meetings and other statutory filings with the Stock Exchanges is posted through the filing system of the BSE Limited and NSE Electronic Application Processing System (NEAPS) portals. These results are generally published in the all India editions of The Financial Express and Makkal Kural. The financial results of the Company are also made available on the Company's website www.indo-tech.com

All price sensitive information and matters which are material and relevant to the Shareholders are intimated to the BSE Limited and the National Stock Exchange of India Limited, where the securities of the Company are listed.

SEBI COMPLAINTS REDRESSAL SYSTEM (SCORES):

SEBI has initiated SCORES for processing the investor complaints in a centralized web-based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and during the financial year, no complaint was reported.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis (MDA) giving an overview of the Company's business and its financials are provided as part of this Annual Report.

CODE OF CONDUCT:

The code of Conduct for all the members of the Board and senior management of the Company has been posted on the website of the Company: www.indo-tech.com. All Board members and senior management personnel (as per Regulation 26(3) of the Listing Regulations) have affirmed compliance with the applicable Code of Conduct. A declaration to this effect forms part of this Report.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company's shares are listed on the BSE Limited and the National Stock Exchange of India Limited. With the view to preventing insider trading and abusive self-dealing in the securities of the Company, the Company has formulated a Code of Conduct to Regulate, Monitor and Report Trading of the Company's securities by Insiders in accordance with the SEBI

Prohibition of Insider Trading) Regulations, 2015. As a part of this Code, the Company's Directors, Key Managerial Personnel and designated employees are advised of the closure of the trading window for dealing / transacting in the Company's Equity Shares prior to the announcement of the quarterly, half-yearly and annual financial results of the Company and other price sensitive information.

The Company has also adopted a Code of Corporate Disclosure Practices, for ensuring timely and adequate disclosure of Unpublished Price Sensitive Information by the Company, to enable the investor community to take informed investment decisions with regard to the Company's shares.

SHAREHOLDERS' INFORMATION:

30th Annual General Meeting:

The **30th Annual General Meeting** will be held on **Thursday, September 29, 2022 through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") at 10. 30 A.M (IST).**

Financial Year of the Company

The Company follows 1st April to 31st March as financial year.

Financial Calendar (tentative)

Results for the quarter ending June 30, 2022	Second week of August 2022
Results for the quarter ending September 30, 2022	Second week of November 2022
Results for the quarter ending December 31, 2022	Second week of February 2023
Results for the quarter ending March 31, 2022	Third week of May 2023
AGM for the Financial year ending March 31, 2023	Second week of August 2023

Date of book closure:

September 23, 2022 to September 29, 2022 (both days inclusive)

LISTING OF SHARES ON STOCK EXCHANGES

The equity shares of the Company are currently listed with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company has paid till date, appropriate listing fee to both the stock exchanges.

BSE Limited

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

National Stock Exchange of India Limited

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

Stock Code

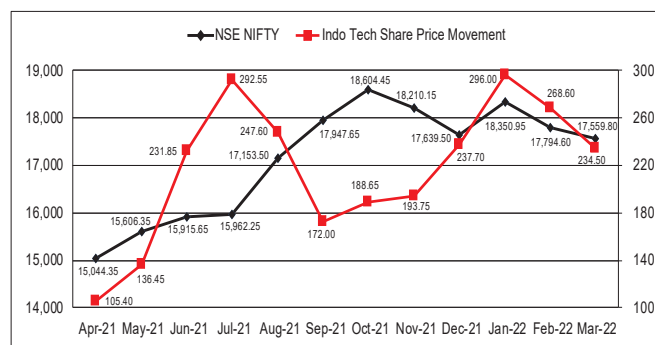
Stock Exchange	Code
BSE Limited	532717
National Stock Exchange of India Limited	INDOTECH
ISIN number for equity shares	INE332H01014

STOCK PRICE DATA

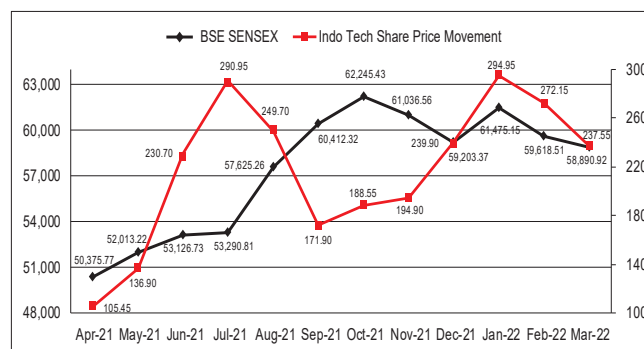
Month	NSE		BSE	
	High	Low	High	Low
Apr-21	105.40	80.20	105.45	82.25
May-21	136.45	92.80	136.90	90.70
Jun-21	231.85	122.80	230.70	121.75
Jul-21	292.55	219.00	290.95	220.55
Aug-21	247.60	156.00	249.70	155.25
Sep-21	172.00	146.00	171.90	147.00
Oct-21	188.65	151.00	188.55	150.00
Nov-21	193.75	156.80	194.90	157.05
Dec-21	237.70	161.10	239.90	162.55
Jan-22	296.00	215.00	294.95	211.00
Feb-22	268.60	204.25	272.15	206.55
Mar-22	234.50	199.10	237.55	199.70

Note: The Equity Shares of the Company were listed on NSE and BSE on 16th March, 2006.

PERFORMANCE IN COMPARISON TO NSE NIFTY



PERFORMANCE IN COMPARISON TO BSE SENSEX



REGISTRAR AND SHARE TRANSFER AGENTS

Link Intime India Private Limited

C 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400083

Phones : 022 - 4918 6270,

Fax : 022-4918 6060

E-mail : rnt.helpdesk@linkintime.co.in.

SHAREHOLDING SUMMARY AS ON MARCH 31, 2022

Category	No. of Shares	Percentage
Indian Promoter Company	74,35,407	70.0132
Foreign Promoter Company	5,29,593	4.9868
Hindu Undivided Family	1,60,878	1.5149
Non Resident (Non Repatriable)	3,742	0.0352
Non Resident Indians	26,941	0.2537
Body Corporate - LLP	8,219	0.0774
Foreign Portfolio Investors	8,138	0.0766
Other Bodies Corporate	3,52,544	3.3196
Public	20,74,880	19.5375
Clearing Members	19,658	0.1851
Total	1,06,20,000	100.00

SHARE TRANSFER, TRANSMISSIONS, SPLITS, SUB-DIVISION, CONSOLIDATION, RE-MAT

No applications for transfer/ transmission/split/subdivision/ consolidation/Re-mat were received during the financial year ended March 31, 2022.

SHAREHOLDING PATTERN AS ON MARCH 31, 2022

Category	Total Shares	% to Equity
Physical	3,252	0.03
NSDL	94,20,103	88.70
CDSL	11,96,645	11.27
Total	1,06,20,000	100.00

DISTRIBUTION SCHEDULE AS ON MARCH 31, 2022

No. of Equity Shares held	No. of Shareholders	% to Shareholders	No. of Shares	% of Shareholding
1 to 500	9,442	93.3281	7,18,148	6.7622
501 to 1000	313	3.0938	2,51,423	2.3674
1001 to 2000	177	1.7495	2,60,830	2.4560
2001 to 3000	62	0.6128	1,56,893	1.4773
3001 to 4000	27	0.2669	92,142	0.8676
4001 to 5000	17	0.1680	81,233	0.7649
5001 to 10000	44	0.4349	3,13,344	2.9505
Greater than 10000	35	0.3460	87,45,987	82.3539
TOTAL	10,117	100	1,06,20,000	100

DEMATERIALIZATION OF SHARES

As per SEBI's direction, dematerialization facility for the shares of the Company is available and it is in the interest of all the shareholders to convert their physical holdings into electronic holdings by dematerialization.

As on March 31, 2022, 1,06,16,748 shares were held in dematerialized form which constitute approx. 99.97 % of total number of subscribed shares.

LIQUIDITY

Since Company's shares are listed on BSE Limited and National Stock Exchange of India Limited and are compulsorily traded in dematerialized form, these shares enjoy enough liquidity in the market.

SHARE TRANSFER SYSTEM

The Company has entered into agreement with M/s. Link Intime India Pvt Ltd, Mumbai to carry out the transfer related activities. Authorised personnel are approving the transfer on periodical basis. All valid transfers are affected within stipulated days. Share certificates received at Registered Office are also sent to Registrars and Share Transfer Agents for doing the needful.

In case of electronic transfers, the bye laws of Depositories are complied with. During the Financial Year 2018-19, the Securities and Exchange Board of India ('SEBI') and Ministry of Corporate Affairs ('MCA') has mandated that existing members of the Company who hold securities in physical form and intend to transfer their securities after April 1, 2019, can do so only in dematerialized form. Therefore, Members holding shares in physical form were requested to consider converting their shareholding to dematerialized form.

Share transactions in electronic form can be effected in a much simpler and faster manner. After a confirmation of a sale/purchase transaction from the broker, shareholders should approach the Depository Participant (“DP”) with a request to debit or credit the account for the transaction. The DP will immediately arrange to complete the transaction by updating

the account. There is no need for a separate communication to the Company to register these share transfers.

Shareholders should communicate with M/s. Link Intime India Pvt Ltd, the Company’s Registrars and Transfer Agents (‘RTA’) quoting their folio number or Depository Participant ID (‘DP ID’) and Client ID number, for any queries to their securities.

CREDIT RATING

S. No	Date of Report of Credit rating	Credit Rating Agency	Instrument	Rating
1	August 16, 2021	ICRA Limited	Long Term Rating	[ICRA] BB
			Short Term Rating	[ICRA] A4
2	March 07, 2022	ICRA Limited	Long Term Rating	[ICRA] BB+
			Short Term Rating	[ICRA] A4+

GREEN INITIATIVE IN THE CORPORATE GOVERNANCE

As part of the green initiative process, the company has taken the initiative of sending documents like Notice calling Annual General meeting, Corporate Governance Report, Directors’ Report, audited Financial Statements, Auditors Report, Dividend intimations etc., by email. Physical copies are sent only to those shareholders whose email addresses are not registered with the company and for the bounced-mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent / concerned depository to enable the company to send the documents in electronic form or inform the company in case they wish to receive the above documents in paper mode.

The Ministry of Corporate affairs (MCA) for extended the relaxations provided for companies for conducting Annual General Meeting (AGM) through Video Conferencing (VC) or through other audio-visual means (OAVM) and dispensation of requirement of printing and dispatch of annual reports to shareholders. As per the MCA circulars, the requirements of Regulations 36 (1)(b) and (c) and Regulation 58 (1)(b) &(c) of the LODR dealing with sending of hard copies of annual reports to shareholders are dispensed with for listed entities who conduct their AGMs during the calendar year 2022 (i.e. till December 31, 2022).

In exercise of the above relaxations, the company would be dispatching annual report only in electronic mode to the registered mail id of the shareholders for this upcoming AGM. Your company would not be printing / sending physical copies of Annual Report unless specific request for physical copy of Annual Report is made to the company by the shareholder.

PLANT LOCATION & ADDRESS FOR CORRESPONDENCE

INDO-TECH TRANSFORMERS LIMITED

Survey No. 153-210, Illuppapattu Village Near Rajakulam,

Kancheepuram (Dist.),

Tamil Nadu – 631561

DISCLOSURES

Related Party Transactions

There were no materially significant related party transactions with the Company’s Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. The Company does not have any subsidiary or associate. Transactions with related parties are entered into by the Company in the normal course of business and at arm’s length. The details of transactions are periodically placed before the Audit Committee for review and approval. Members may refer to the notes to the accounts for details of related party transactions. Company has adopted a policy on related party transaction and it is placed on website of the Company (weblink: <http://www.indo-tech.com>).

Disclosure of Accounting Treatment

The Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements. There are no audit qualifications in the Company's financial statements for the year under review.

Compliance with Regulations:

The Company has complied with the requirements of the Regulatory Authorities on Capital Markets. Neither has there been any instances of non-compliance by the Company on any matters related to the capital markets, nor has any penalty or stricture been imposed on the Company by the Regulatory Authorities or any statutory authority, on any matter related to capital markets, during the last three years.

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

The Company has not raised funds through preferential allotment or qualified institutions placement during the year ended March 31, 2022

CERTIFICATE FROM THE PRACTICING COMPANY SECRETARY

M/s K Krishnamoorthy, Practicing Company Secretary has issued a certificate as required under the Listing Regulation, confirming that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

RECOMMENDATIONS OF COMMITTEE OF BOARD OF DIRECTORS

During the year ended March 31, 2022, all recommendations made by the Committees of the Board of Directors (viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee) were accepted by the Board of the Company.

TOTAL FEES FOR ALL SERVICES PAID BY THE COMPANY ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITORS

The details of payment made to Statutory Auditors during financial year 2021-22 are mentioned below:

S.No	Particulars of fees	(Rupees in Lakhs)
1	Statutory audit	12.00
2	Tax audit	2.00
3	Limited review of quarterly results	3.50
4	Corporate Governance	1.00
5	Others	0.75
6	Reimbursement of expenses	0.73
	Total	19.98

WHISTLE-BLOWER POLICY

The Company has a Whistle Blower mechanism wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management. The confidentiality of those reporting violations shall be maintained and they shall not be subjected to any discriminatory practices. The Company affirms that no employee has been denied access to the Audit Committee. The Whistle-blower Policy is placed on website of the Company www.indo-tech.com

STATEMENT OF COMPLAINTS IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

There were no complaints during the financial year ended March 31, 2022.

DIVIDEND POLICY

Company did not declare any dividend during the period due to accumulated losses.

TRANSFER OF UNPAID/UNCLAIMED DIVIDEND AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

Company does not have any unpaid/unclaimed dividend amount which are pending to be transferred to the Investor Educations and Protection Fund.

DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON-MANDATORY REQUIREMENTS

The Company has complied with the applicable mandatory requirements of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

The Company has adopted following non-mandatory requirements as specified in Part E of Schedule II of the SEBI (LODR) Regulations, 2015.

- A Non-Executive Chairperson is entitled to maintain a Chairperson's office at the Company's expenses and also allowed reimbursement of expenses incurred in performance of his duties.
- During the year under review, there was no audit qualification in the Auditors' Report on the Company's financial statements.
- The Chairperson of the Company and the CEO are different persons.
- The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting for reporting their findings of the internal audit to the Audit Committee Members

POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES

Company does not have any subsidiary / subsidiaries. However, company has adopted a policy on determining material subsidiary and it is placed on website of the Company (web link: <http://www.indo-tech.com>).

DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES

The principal raw materials of the Company are Copper, CRGO, Steel and Oil etc. These are procured from the domestic suppliers. The price differences are adequately covered in the selling price of the finished products and Company does not indulge in any commodity hedging activities.

COMPLIANCE OR OTHERWISE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT

The Company has complied with the requirements of the Corporate Governance and has made disclosures to the extent required and applicable to it, as stipulated in Listing Regulations.

CORRESPONDENCE REGARDING CHANGE OF ADDRESS ETC

Shareholders are requested to ensure that any correspondence for change of address, change in Bank Mandates, etc. should be signed by the first named shareholder. The company is now also requesting for supporting documents such as proof of residence and proof of identification whenever a letter requesting for change of address is received. This is being done in the interest of shareholders as there are cases in the corporate world

where attempts are made to fraudulently change the registered address of shareholders by unscrupulous parties. Shareholders are requested to kindly co-operate and submit the necessary documents / evidence while sending the letters for change of address. Shareholders who hold shares in dematerialized form should correspond with the Depository Participant with whom they have opened Demat Account/s.

PENDING INVESTORS' GRIEVANCES

Any shareholder whose grievance has not been resolved to his / her satisfaction may kindly write to the Company Secretary at the Registered Office with a copy of the earlier correspondence.

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

Sharat Chandra Kolla
Director
DIN : 08851423

Shridhar Gokhale
Whole-Time Director
DIN : 08349732

Place: Kancheepuram
Date : May 27, 2022

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements which may contain certain statements describing the Company's objectives, expectations or forecasts that appear to be forward-looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein. The Company assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Some important factors that could influence the Company's operations comprise pricing and demand & supply conditions in global and domestic markets, changes in government regulations, tax laws, litigation, industrial relations, economic & geo-political developments, conditions such as COVID-19 pandemic and such other factors.

ECONOMIC AND INDUSTRIAL HIGHLIGHTS

The Global Economy

The world economy continues to suffer from a series of destabilizing shocks. After more than two years of pandemic, the Russian Federation's invasion of Ukraine and its global effects on commodity markets, supply chains, inflation, and financial conditions have steepened the slowdown in global growth. In particular, the war in Ukraine is leading to soaring prices and volatility in energy markets, with improvements in activity in energy exporters more than offset by headwinds in most other economies. The invasion of Ukraine has also led to a significant increase in agricultural commodity prices, which is exacerbating food insecurity and extreme poverty in many emerging market and developing economies (EMDEs). – Global Economic Prospects Report 2022 by World Bank.

The report also states that Growth in emerging market and developing economies (EMDEs) this year has been downgraded to 3.4 percent, as negative spillovers from the invasion of Ukraine more than offset any near-term boost to some commodity exporters from higher energy prices. Despite the negative shock to global activity in 2022, there is essentially no rebound projected next year: global growth is forecast to edge up only slightly to a still-subdued 3 percent in 2023, as many headwinds—in particular, high commodity prices and continued monetary tightening—are expected to persist.

The way the global power sector evolves, it is evident that the future of the industry sits on cusp of massive change. The broader energy industry has started to converge, as many players seek to serve a growing clean power industry in an economy increasingly moving toward electrification. With an increasing number of nations responding to the challenge of climate change, the energy landscape is undergoing change wherein more than 100 countries have pledged carbon neutrality by 2050 and many more such commitments are on the horizon. Similar announcements on the corporate front have gathered

pace worldwide. Be it energy companies or those in the IT/technology space, both utility and non-utility companies are undertaking 100% carbon free initiatives.

While the threat from the COVID-19 pandemic is still looming, the continuation of Russia-Ukraine conflict is posing a significant challenge to global recovery. The effects of the Ukraine crisis on developed and developing countries are substantial, as these economies are just beginning to recover from the COVID-19 crisis. Most of the countries, especially members of the Eurasian Economic Union are strongly exposed to the Russian economy through trade and finance flows. The conflict has accelerated the upward trend in oil and natural gas prices, along with the prices of metals and other commodities. Prices of agricultural commodities and base metals, such as aluminium, copper, ergo, steel, cobalt, nickel, palladium, and titanium, have also spiked. If those prices increase remains elevated, industrial sectors, in particular, heavy engineering, automotive and electronics, will be hit hard across the globe.

INDUSTRY

The global renewable power generation is set to be the fastest-growing source of electricity supply in 2022, up 10%, while low-carbon generation is seen up 7%, which is expected to exceed demand growth and lead to a 1% drop in total fossil fuel generation. The energy transition gained momentum last year, as countries continued to deliver on the decade of action through increased renewables deployment; but the rate of growth is still not sufficient to guarantee a net zero future. Renewables need to reach around 40 per cent in total energy generation across all sectors by 2030 from present level of 14%.

According to the International Renewable Energy Agency (IRENA) report, the cost of generating power from renewable energy sources has reached parity or dropped below the cost of fossil fuels for many technologies. Biomass, hydropower, geothermal and onshore wind are all competitive with, or cheaper than, coal, oil and gas-fired power stations – cheaper even without financial support and despite falling oil prices. Solar photovoltaic (PV) is the most competitive, with solar PV module costs falling 75 per cent since 2009 and the cost of electricity from utility-scale solar PV dropping by 50 per cent since 2010. Residential solar PV systems are now 70% cheaper than they were in 2008. As per the Electricity Market Report by International Energy Agency (IEA) during 2022-2024, it expects rapidly growing renewables to almost match moderate demand growth. It anticipates average annual electricity demand growth of 2.7%, but the Covid-19 pandemic and high energy prices add uncertainty to this.

Apparently, Decarbonization is becoming a higher priority. Over the past decade, the costs of renewables have dropped substantially solar power by as much as 80 percent and wind power by about 40 percent making them economically

competitive with conventional fuels, such as coal and natural gas, in the vast majority of global markets. Few utilities or governments have yet compiled a detailed, quantitative pathway to decarbonizing the power sector substantially.

Indian Economy – Opportunities and Threats

The Indian Power Sector is going through defining times with significant push given by the government under its various schemes such as 'Power for All', 'One Nation-One Grid', and its climate change mission statement 'Panchamrit', wherein the country realigns its power demand with more focus on alternate sources of power and reduction of its dependence on coal as a raw material to derive electricity. This is in addition to India's ambitious target to achieve Net Zero Missions by 2070. As part of its plan to move from fossil fuel to renewable energy source, the Government of India (GoI) has been working towards rejigging its energy mix to focus on becoming a 'gas-based economy'.

By 2030, the government aims to increase non-fossil fuel-based energy capacity to 500 GW, meeting 50% of its energy requirements by renewable energy sources, and reduce carbon intensity of the economy to less than 45%. As per the latest figures on the National Power Portal (as on March 2022), the total installed capacity stands at 3,95,805.86 MW (395.80 GW). In terms of the sector-wise division of installed capacity, central sector holds 25.01%, state sector 26.49% and private sector 48.50%. By 2030, the country aims to have 280 GW of installed solar power.

The government has also approved the Green Energy Corridor (GEC) - Intra-State Transmission System Phase-II scheme. The scheme will facilitate grid integration and power evacuation of approximately 20 GW of Renewable Energy (RE) power projects in seven states namely, Gujarat, Himachal Pradesh, Karnataka, Kerala, Rajasthan, Tamil Nadu and Uttar Pradesh. This scheme will enable the country to achieve its target of 450 MW of installed Renewable Energy (RE) power capacity by 2030. Moreover, it will contribute towards long term energy security of the country and promote ecologically sustainable growth by reducing carbon footprint. It will generate large direct and indirect employment opportunities for both skilled and unskilled personnel in power and other related sectors.

Under the Union Budget 2022-23, the government announced the issuance of sovereign green bonds, as well as conferring infrastructure status to energy storage systems, including grid-scale battery systems. The government also allocated Rs. 19,500 crore (US\$ 2.57 billion) for a PLI scheme to boost manufacturing of high-efficiency solar modules.

Concerns over high inflation and the rising risk of a de-anchoring of inflation expectations are expected to lead to further monetary policy tightening in many EMDEs. Having already experienced a marked erosion of fiscal space during the pandemic, commodity importing EMDEs will face a further deterioration in fiscal positions due to the rise in borrowing costs.

OPPORTUNITIES AND THREATS

Opportunities

The power sector is a key enabler of India's economic development. The sector with its three pillars: Generation, Transmission and Distribution, is crucial to India's infrastructure and economic growth. The global stature of the Indian Power Sector is depicted well by its positioning in terms of generation capacity. India is ranked 3rd in the world in terms of electricity generation, 4th in installed renewable energy capacity, and 6th in installed Hydro capacity, as reported by international agencies like IEA, Statista, IRENA etc.

India is the third-largest producer and second-largest consumer of electricity worldwide, with an installed power capacity of 401.01 GW as of April 30, 2022. In terms of capacity, there has been a year-on-year increase of nearly 17 GW in installed power generation capacity (399 GW in FY22 vis-a-vis 382 GW in FY21). There has been a progressive shift towards renewable sources (mainly solar & wind).

As of April 2022, India's installed renewable energy capacity stood at 158.12 GW, representing 39.43% of the overall installed power capacity. Solar energy is estimated to contribute 55.34 GW, followed by 40.53 GW from wind power, 10.68 GW from biomass, 4.85 GW from small hydropower, and 46.72 GW from hydropower.

Government of India's Union Budget 2022-23 too has laid down a comprehensive plan to provide boost to various sectors such as infrastructure, railways and power, amid rising inflation and COVID-19 related uncertainties. Key highlights of Union Budget 2022-23 emphasized India's economic growth estimated at 9.2% to be the highest among all large economies. Outlay for capital expenditure stepped up sharply by 35.4% to INR 7.50 lakh crore in 2022-23 from INR 5.54 lakh crore in the year 2021-22.

Off all the factors determining the outlook of the energy industry, coupled with the need for affordable, sustainable and modern energy systems, is shaping the power sector and opening business service opportunities for power utilities. This wave of change is not just limited to the power companies but is also opening-up business opportunities for other industry groups like automobile, power equipment manufacturers and oil majors, which have been actively participating in this transition through business diversification, acquisition and collaboration with power utilities.

To expand, improve profitability to competitive advantage and maintain their commitment to high level of environmental performance, the companies will have to make changes to their strategy and operational models related to at least the following areas of focus such as energy demand, penetration of renewable energies, the degree of commitment to CO2 emissions reductions, etc.,

In addition to this, your company's synergies with the parent company SSEL paves way for favorable business opportunities with wide market reach.

Threats

The major risk factors affecting the Company are over capacity in industry, non-lifting of ready materials due to constraints at customers' end thereby building inventory and creating liquidity issues. Increase in receivable positions due to delay in payment by certain customers and uncertainty in execution of low fixed price orders. Other notable concerns include:

1. Raw material price volatility

Copper and Electrical grade Steel (Technical Shortform CRGO) are the major raw material which contributes more than 60% cost of total raw material. The supply of CRGO is one of the major challenges in the industry as it needs to be imported and there is less supply. CRGO which is one of the major raw materials for transformers is not being manufactured in India thereby causing more FOREX outflow, further the importers levy high service charge thus escalating the price. Adverse price movement of both commodities can impact the margins of the Company. The Copper price is determined by the London Metal Exchange (LME). The wide fluctuation of rupee against US Dollars also affects margin since the key raw materials, viz. copper, transformer oil, special steels for lamination, etc., are of import origin.

2. Unorganized players

India's transformer market is predominantly unorganised with many small participants catering to the smaller distribution transformer markets. In addition to severe competition with MNC players, domestic manufacturers, Chinese and Korean manufacturer's presence makes the market very competitive. Your company has to compete with unorganized players for orders from SEBs, utilities and industrial clients, which makes the market more price sensitive.

3. Overcapacity in industry

Due to the entry of large number of players during favorable time, overcapacity continues to be a major negative factor in the industry as a result aggressive pricing is undertaken by some of the Transformers manufacturers, which could impact margins.

4. Slowdown in the manufacturing segment

The demand from the manufacturing segment is still a major concern for the industry, the manufacturing sector is yet to see an investment uptick due to low capacity utilisation and this has led to slowdown in new as well as expansion projects. The slowdown in the manufacturing segment has a 'Domino' effect on the overall transformer industry – low power demand from the manufacturing segment is one of the major reasons for reducing peak power deficit in the country, excess power from the manufacturing sector is diverted to residential and agricultural sectors shortening power outages in these sectors. Unless power demand from manufacturing segment increases the utilities will not be very enthusiastic to spend on improving power availability or expanding the network. Hence, demand

expansion in the core manufacturing sectors is very critical for the transformer industry.

5. Financial Health of State Discoms

Years of populist tariff schemes, mounting Aggregate Technical & Commercial losses and operational inefficiencies have adversely affected the financial health of State Discoms which are currently plagued with humongous out-standing debts.

6. Delay in payment to IPPs by EBs

There is considerable delay in payment to Independent Power Producers (IPPs) by Electricity Boards (EBs). This delay affects financial health of IPPs and in turn affects cash cycle of Original Equipment Manufacturers. OEMs have to be choosy in accepting orders from such IPPs and this affects year to year growth.

7. Renegotiation of wind and solar power purchase contracts by state utilities

Industry witnessing a trend of State utilities reviewing and renegotiating the signed power purchase agreements (PPAs) with wind and solar power developers. This impairs the cash flows of projects and may impact investor sentiments in the sector. PPA renegotiation or cancellation to be an event risk and a deviation from normal business proceedings, as these are not embedded in the contracts

8. Utility Orders

The transformer industry largely depends on the spending from transmission and distribution utilities and recent tenders/ ordering activity by utilities clearly demonstrate the downward trend. Lack of funds is one of the key reason behind it. All Contracts awarded by the utilities are based on low price (L1) bidder which resulting in price war with unorganized players without compromise on the quality is the challenge for the organized quality driven Companies. The payment terms of utilities are generally high credit period compared to private parties which impact the Company's cash flow.

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

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

OUTLOOK

Growing population along with increasing electrification and per capita usage will further provide impetus to the rising demand for electricity. Many power sector reforms are being introduced by the Government to bring efficiency, promote decarbonization and ensure (24x7) reliable and affordable power supply.

With the industrial and commercial sector together accounting for nearly 50% of the country's electricity consumption, resumption of economic activity post relaxation of pandemic restrictions has made a positive impact on the overall demand. Gradual and calibrated resumption of economic activity will further support the growth of electricity demand.

In the backdrop of a challenging operating environment in this fiscal, we dynamically managed our business to deliver strong bottom line performance whilst growing our market share and sustaining our product quality. We will continue to take this approach in financial year 2022-23 where operating environment is expected to remain challenging with further input cost inflation and competitive market conditions.

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

RISKS AND CONCERNS

The key risks are underutilized manufacturing capacities across our industry, an unprecedented spiraling of raw material prices, lack of adequate sources of finance and fresh uncertainties caused by the COVID-19 pandemic. The Company does not apprehend any inherent risk in the long run with exception to above mentions. Apart from this the Industry is highly labour intensive and is subject to stringent labour laws.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

The Company has an Internal Financial Control (IFC) process which aims at providing reasonable assurance on - reliability of financial information, compliances with laws and regulations in force and realization and optimization of operations. It ensures documentation and evaluation of department and entity level controls through existing policies and procedures, primarily to identify any significant gaps and define key actions for

improvement. Management assessed the effectiveness of internal financial controls and based on this assessment, management has determined that the Company's internal financial controls as of March 31, 2022, were effective.

The Audit Committee and the Board of Directors reviewed internal controls and the progress of implementation of the recommendations of internal audits. The Whole-Time Director/ CFO certification provided in the report discusses the adequacy of our internal control systems and procedures.

M/s. G Balu Associates LLP, the Internal Auditors independently evaluate the adequacy of internal controls to ensure that internal controls, checks and balances in the system are adequate, proper and up-to-date. M/s. ASA & Associated LLP, the statutory auditors of the company have audited the financial statements included in this annual report and have issued an attestation report on the company's internal control over financial reporting (as defined in section 143 of Companies Act 2013).

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial performance of the Company has been discussed in Directors Report under the heading 'Financial Results and the Operations Review. The financial performance of your Company was affected by the combined impact of pricing pressures in the marketplace, increases in input costs, delays in projects as well as complying with stringent design specifications of the customers.

The Company is taking a balanced view on scaling up manufacturing operations and timely delivery to enable the adequate cash flow for the operations. Despite all challenges, the Company is fully focused on attaining sustainable growth with the best practices at operations along with the expertise off and guidance of its parent company.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

Human Resources

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

With the robust systems and processes, an agile and responsive approach, the Company continued its efforts on digitalization, process improvement, employee engagement and improving the work life balance contributing its own share in achieving the business goal and outcome for FY 2021-22. Your company recognizes the demand for new technology and digitalization as a tool for sustainability. It continues to undertake various digitalization initiatives for smooth transition towards a more sustainable environment in future.

Your Company continued its approach to management development on the belief that learning initiatives must remain synergistic and aligned to business outcomes. Building skills and

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

In view of the COVID-19 pandemic and keeping employee health and safety paramount, your company has issued SOPs to all its employees in accordance with the guidelines of the Central Government, State Government and local authorities. This includes self-health declaration, allowing unwell employees to work from home, regular sanitization of work-place and transport vehicles, providing masks and other protective gears, thermal temperature monitoring, SpO2 checks, providing hand sanitizers, advising regular hand washing, maintaining social distancing at works, in canteens and in the offices, amongst others. The Company has also taken up steps to ensure 100% vaccination for all employees.

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

Environment standards are followed for the safety of employees and equipment. The Confederation of Indian Industry (CII) has recognized your company with Bronze Award for Environmental Health and Safety (EHS) Excellence (2021). This is result of the company’s consistent work to improve health and safety condition at our workplace.

The HR department continuously strives to maintain and promote harmony and co-ordination among workers, staff and members of the senior management. The total number of employees on the rolls of the company as on 31st March, 2022 was 286.

Cautionary Statement

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

FINANCIAL HIGHLIGHTS

	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Gross Sales & Other Income	28,175	20,892	21,075	21,463	23,016	16,591	22,318	18,671	11,455	12,495
Net Sales & Other Income	28,175	20,892	21,075	21,463	22,472	15,059	20,263	17,363	10,485	11,554
Earnings before Depreciation, Interest and Tax (EBDIT)	1,858	1,155	507	-268	151	-308	937	632	-529	-3,857
Depreciation	452	482	479	519	474	482	535	518	299	504
Profit After Tax	1,219	629	192	-839	-369	-1,127	402	-374	-1,880	-5,018
Equity Dividend %	--	--	--	--	--	--	--	--	--	--
Dividend Payout	--	--	--	--	--	--	--	--	--	--
Equity Share Capital	1,062	1,062	1,062	1,062	1,062	1,062	1,062	1,062	1,062	1,062
Reserves and Surplus	13,450	12,261	11,591	11,455	12,348	12,757	14,425	14,023	-450	1,430
Net Worth	14,512	13,323	12,653	12,517	13,410	13,819	15,487	15,085	612	2,492
Gross Fixed Assets	6,887	6,731	6,671	6,563	5,987	5,909	10,106	10,003	9,888	9,902
Net Fixed Assets	4,139	4,374	4,797	5,159	5,034	5,429	6,215	6,635	7,047	7,309
Total Assets	23,837	18,660	20,193	19,346	20,868	20,868	21,269	20,659	18,270	17,684

KEY INDICATORS	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Earnings per Share (in Rs.)	11.48	5.92	1.81	-7.90	-3.48	-10.62	3.79	-3.52	-17.7	-47.25
Turnover per share (in Rs.)	265.30	196.72	198.45	202.10	216.72	156.22	210.16	175.82	107.35	117.65
Book value per share (in Rs.)	136.65	125.45	119.14	117.86	126.27	130.12	145.83	142.04	5.76	23.46
Debt : Equity Ratio	--	--	--	--	--	--	--	--	20.62:1	3.27:1
EBDIT / Gross Turnover %	7%	5%	2%	-1%	1%	-2%	4%	3%	-5%	-32%
Net Profit Margin %	4%	3%	1%	-4%	-2%	-7%	2%	-2%	-19%	-42%
RONW %	8%	5%	2%	-7%	-3%	-8%	3%	-2%	-307%	-201%
ROCE %	9.6%	5.0%	0.2%	-6.2%	-2.4%	-5.7%	2.7%	0.7%	-121.1%	-169.5%

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE UNDER SCHEDULE (E) TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To

The Members of Indo Tech Transformers Limited

This certificate is issued in accordance with the terms of our engagement with **Indo Tech Transformers Limited** ('the Company'). We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes preparation and maintenance of all relevant supporting records and documents, the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2022.

We conducted our examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2022.

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

Restriction of Use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the aforesaid Regulations and may not be suitable for any other purpose.

Place : Chennai
Date : May 27, 2022

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

G N Ramaswami
Partner
Membership No: 202363
UDIN: 22202363AJTJHU5339

CERTIFICATION BY CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER

We hereby certify that for the financial year ending March 31, 2022, on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ending March 31, 2022, which are fraudulent, illegal or in violation of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls. We have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and have taken the required steps to rectify these deficiencies.
5. We further certify that:-
 - a) There have been no significant changes in internal control during this year.
 - b) There have been no significant changes in accounting policies during this year.
 - c) There have been no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system.

Place : Kancheepuram
Date : May 27, 2022

Shridhar Gokhale
Whole-Time Director

Saikrishnan C P
Chief Financial Officer

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT
PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for all Board members and senior management of the Company. The Code has been hosted on the Company's website www.indo-tech.com

We confirm that the Company has in respect of the financial year ended March 31, 2022, received from the Members of the Board and the senior management team of the Company a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means employees in the rank of Heads of functions.

For Indo Tech Transformers Limited

Place : Kancheepuram

Date : May 27, 2022

Shridhar Gokhale

Whole-Time Director

INDEPENDENT AUDITOR'S REPORT

To the Members of Indo Tech Transformers Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements ("the financial statements") of Indo Tech Transformers Limited ("the Company"), which comprise the balance sheet as at March 31, 2022, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Sr No	Key Audit Matter	Auditor's Response
1	<p>Revenue from Operations: Revenue of the Company mainly comprises of sale of transformers to its customers and related services. Revenue from sale of goods is recognised when control is transferred to the customers and when there are no other unfulfilled obligations. This requires detailed analysis of each contract/customer purchase order regarding timing of revenue recognition. Inappropriate assessment could lead to a risk of revenue being recognized on sale of goods before the control in the goods is transferred to the customer. Accordingly, timing of recognition of revenue is a key audit matter.</p>	<p>We have performed the following procedures to address the Key audit matters:</p> <ul style="list-style-type: none"> • we assessed the Company's accounting policies for revenue recognition by comparing with the applicable accounting standards. • testing the design, implementation and operating effectiveness of key internal controls over timing of recognition of revenue from sale of goods. • performing testing on selected statistical samples of customer contracts. Checked terms and condition related to acceptance of goods, acknowledged delivery receipts and tested the transit time to deliver the goods and its revenue recognition. Our tests of details focused on cut-off samples to verify only revenue pertaining to current year is recognized based on terms and conditions set out in sales contracts and delivery documents.

Sr No	Key Audit Matter	Auditor's Response
2	<p>Trade Receivables: The Company has significant outstanding from customers including past dues. The recoverability and the provisioning assessment carried on by the management is based on ageing profile, payment pattern and expected date of collection and time value of money. Based on the factors of impairment assessment, significant judgements and assumptions, including assessing credit risk, timing and amount of realization, etc by the management, we identified this as a key audit matter.</p>	<p>We have performed the following procedures in relation to the recoverability of trade receivables:</p> <ul style="list-style-type: none"> • we obtained an understanding of the processes implemented by management to estimate impairment provision against trade receivables. • we obtained and tested the appropriateness of ageing of trade receivables with the underlying invoices on a sample basis. • we evaluated the impairment model adopted by management to estimate the expected credit loss and tested related computations. We corroborated management's estimates on the basis of past trends. • we obtained, discussed and tested management assessment of impairment for specific customer balances with designated management personnel. • we have circulated direct confirmations on a sample basis. In case of non-receipt of such confirmations, alternate test procedures such as testing subsequent receipts and underlying documents have been performed.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

influence the economic decisions of users taken on the basis of these financial statements.

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

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

Materiality is the magnitude of misstatement in the financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including

any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act;
 - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy

and operating effectiveness of the Company's internal financial controls over financial reporting.

- (g) With respect to the matters to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, and to the best of our information and according to the explanations give to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act, and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2022 on its financial statements – Refer Note No. 30 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner

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

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
- v. The Company has neither declared nor paid any dividend during the year.

*for ASA & ASSOCIATES LLP
Chartered Accountants*

Firm Registration No: 009571N/N500006

G N Ramaswami
Partner

Place : Chennai
Date : May 27, 2022

Membership No: 202363
UDIN: 22202363AJTJBN1197

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

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

(Amounts in lakhs)

Name of the Banks	Quarter	Amount as per books of account	Amount as reported in the quarterly Return/ Statement	Amount of Differences	Reason for Discrepancies (As explained by the management)
State Bank of India and Bank of Baroda	Mar-22	9,798	7,470	(2,328)	Provisional numbers shared with Bank, actuals will be submitted after audit

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

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

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

(Amounts in lakhs)

Name of the Statute	Nature of the dues	Amount (Rs.in Lakh)	Period to which the amount relates	Forum where the dispute is pending
The Central Sales Tax Act, 1956	Central sales tax	4.42	FY 1996-97	Madras High Court
The Central Sales Tax Act, 1956	Central sales tax	3.63^	FY 2005-06 FY 2006-07	Assistant Commissioner of Commercial Taxes
Tamil Nadu General Sales Tax Act, 1959	Penalty	0.16	FY 1996-97	Commissioner of Commercial Taxes Appeal
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	Nil@	FY 2008-09	Appellate Deputy Commissioner of Commercial Taxes
Central Excise Act, 1944	Excise Duty	146.02	FY 2008-09 to December 2012	Custom Excise and Service Tax Appellate Tribunal, Chennai
Central Excise Act, 1944	Excise Duty	41.16	January 2012 to December 2013 and March 2014 to June 2014	Joint Commissioner of Central Excise
Central Excise Act, 1944	Excise Duty	27.52	FY 2014-15	Commissioner of Central Excise
Finance Act, 1994	Service Tax	79.22#	FY 2014-15	Custom Excise and Service Tax Appellate Tribunal, Chennai
Finance Act, 1994	Penalty	7.95	FY 2008-09	Custom Excise and Service Tax Appellate Tribunal, Chennai

^ net of Rs. 25 lakhs paid under protest

@net of Rs. 7.51 lakhs paid under protest

net of Rs. 4.17 lakhs paid under protest

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

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

(b) According to the information and explanations given to us, the Company has not been declared as willful defaulter

by any bank or financial institution or government or any government authority.

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

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

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

- x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) According to the information and explanations given by the management and based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year accordingly reporting under clause 3 (xi)(a) of the order is not applicable.
- (b) According to the information and explanations given to us, no report under sub-section 12 of section 143 of the Act, in ADT-4 has been filed by the auditors during the year and hence clause 3 (xi)(b) of the order is not applicable.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. According to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the transactions entered with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. (a) According to the information and explanations given to us and audit procedures performed by us, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the year under audit.
- xv. According to the information and explanations given to us, in our opinion the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) and (d) of the Order are not applicable.
- xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly reporting under clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the information and explanation as made available to us by the management of the Company up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanation given to us, as per the provision of Corporate Social Responsibility u/s 135 of The Companies Act, 2013, the company has no obligation to spend towards corporate social responsibility and hence reporting under clause 3 (xx) of the Order is not applicable to the Company.

for **ASA & ASSOCIATES LLP**

Chartered Accountants

Firm Registration No: 009571N/N500006

G N Ramaswami

Partner

Place : Chennai

Date : May 27, 2022

Membership No: 202363

UDIN: 22202363AJTJBN1197

Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of Indo Tech Transformers Limited (the "Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria

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

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

G N Ramaswami
Partner
Place : Chennai
Date : May 27, 2022
Membership No: 202363
UDIN: 22202363AJTJBN1197

Balance Sheet as at March 31, 2022

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

	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	4	4,137.90	4,371.99
Capital work-in-progress	4	114.34	-
Intangible assets	5	1.13	2.40
Financial assets			
Others	6	353.00	527.88
Deferred tax assets, net	7	-	-
Non-current tax assets	8	159.29	139.79
Other non-current assets	9	33.23	33.23
Total non-current assets		4,798.89	5,075.29
Current assets			
Inventories	10	5,156.45	3,454.36
Financial assets			
Trade receivables	11	8,159.15	6,927.12
Cash and cash equivalents	12(i)	2,226.76	941.31
Bank balances other than above	12(ii)	2,023.54	1,236.50
Other financial assets	13	1,021.71	50.66
Other current assets	14	450.65	974.38
Total current assets		19,038.26	13,584.33
Total Assets		23,837.15	18,659.62
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,062.00	1,062.00
Other equity	16	13,450.20	12,260.93
Total equity		14,512.20	13,322.93
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	10.89	-
Provisions	18	84.46	99.13
Total non-current liabilities		95.35	99.13
Current liabilities			
Financial liabilities			
Borrowings	17 (i)	45.00	-
Trade payables	19	-	-
- total outstanding dues of micro enterprises and small enterprises		1,255.56	652.00
- total outstanding dues of creditors other than micro enterprises and small enterprises		5,820.74	3,116.99
Other current liabilities	20	1,728.93	1,110.27
Provisions	18	379.37	358.30
Total current liabilities		9,229.60	5,237.56
Total liabilities		9,324.95	5,336.69
Total equity and liabilities		23,837.15	18,659.62

Notes referred to above form an integral part of the financial statements

As per our report of even date attached

for ASA & Associates LLP

Chartered Accountants

Firm's Registration No. - 009571N/N500006

G N Ramaswami

Partner

Membership No: 202363

Place : Chennai

Date : May 27, 2022

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

Director

DIN No: 08851423

Shridhar Gokhale

Whole-Time Director

DIN No: 08349732

Saikrishnan C P

Chief Financial Officer

Manikandan M

Company Secretary

Place : Kancheepuram

Date : May 27, 2022

Statement of Profit and Loss for the year ended March 31, 2022

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

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
Revenue from operations	21	28,006.73	20,599.91
Other income	22	168.51	291.70
Total income		28,175.24	20,891.61
Expenses			
Cost of materials consumed	23	21,357.05	13,529.80
Changes in inventories of finished goods and work-in-progress	24	(1,742.08)	771.83
Employee benefits expense	25	2,510.56	2,251.70
Finance costs	26	157.83	37.14
Depreciation and amortisation expenses	27	452.14	482.29
Other expenses	28	4,192.15	3,183.56
Total expenses		26,927.65	20,256.32
Profit / (Loss) before tax		1,247.59	635.29
Tax expenses:			
Current tax		-	-
Current tax pertaining to earlier years		28.64	6.71
Deferred tax		-	-
Total Tax Expense		28.64	6.71
Profit / (Loss) after tax		1,218.95	628.58
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit liability	18	(29.68)	41.76
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total comprehensive income for the year		1,189.27	670.34
Earnings per equity share:			
(face value of Rs.10 per share)	34		
- Basic		11.48	5.92
- Diluted		11.48	5.92

Notes referred to above form an integral part of the financial statements

As per our report of even date attached
for **ASA & Associates LLP**
Chartered Accountants
Firm's Registration No. - 009571N/N500006

G N Ramaswami
Partner
Membership No: 202363

Place : Chennai
Date : May 27, 2022

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

Sharat Chandra Kolla
Director
DIN No: 08851423

Shridhar Gokhale
Whole-Time Director
DIN No: 08349732

Saikrishnan C P
Chief Financial Officer

Manikandan M
Company Secretary

Place : Kancheepuram
Date : May 27, 2022

Statement of Changes in Equity for year ended March 31, 2022

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

A. EQUITY SHARE CAPITAL

Current Reporting Period

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

Previous Reporting Period

Balance as at April 1, 2020	Changes in equity share capital due to prior period years	Restated Balance as at April 1, 2020	Changes in equity share capital during the period	Balance as at March 31, 2021
1,062	-	1,062	-	1,062

B. Other equity

Particulars	Reserves and surplus				Items of other comprehensive income	Total Equity
	Securities premium	Capital reserve	General reserve	Retained earnings	Remeasurements of defined benefit liability	
Balance as at April 1, 2021	3,758.48	14,912.50	1,933.53	(8,217.67)	(125.91)	12,260.93
Profit for the year	-	-	-	1,218.95	-	1,218.95
Other comprehensive income	-	-	-	-	(29.68)	(29.68)
Total comprehensive income	-	-	-	1,218.95	(29.68)	1,189.27
Balance as at March 31, 2022	3,758.48	14,912.50	1,933.53	(6,998.72)	(155.59)	13,450.20
Balance as at April 1, 2020	3,758.48	14,912.50	1,933.53	(8,846.25)	(167.67)	11,590.59
Profit for the year	-	-	-	628.58	-	628.58
Other comprehensive income	-	-	-	-	41.76	41.76
Total comprehensive income	-	-	-	628.6	41.76	670.34
Balance as at March 31, 2021	3,758.48	14,912.50	1,933.53	(8,217.67)	(125.91)	12,260.93

As per our report of even date attached

for **ASA & Associates LLP**

Chartered Accountants

Firm's Registration No. - 009571N/N500006

G N Ramaswami

Partner

Membership No: 202363

Place : Chennai

Date : May 27, 2022

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

Sharat Chandra Kolla

Director

DIN No: 08851423

Saikrishnan C P

Chief Financial Officer

Place : Kancheepuram

Date : May 27, 2022

Shridhar Gokhale

Whole-Time Director

DIN No: 08349732

Manikandan M

Company Secretary

Cash Flow Statement for the year ended March 31, 2022

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

Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flows from operating activities		
Profit / (loss) before tax	1,247.59	635.29
<i>Adjustments:</i>		
Depreciation / amortisation	452.14	482.29
Asset written off	2.24	-
Provision for doubtful debts	295.47	328.42
Provision for doubtful receivables	0.12	-
Deposits/advances written off/written back	-	65.34
Interest income	(89.82)	(223.43)
Unrealised loss / (gain) on foreign exchange fluctuation	18.80	(0.45)
Liabilities / provisions no longer required written back	23.05	3.28
Provision for warranty	65.59	24.11
Finance costs	157.83	15.32
Operating cash flow before working capital changes	2,173.01	1,330.17
(Increase) / decrease in inventories	(1,702.09)	1,167.55
(Increase) / decrease in trade receivables	(1,545.88)	129.38
Increase in deposits and other financial asset	(953.89)	113.43
Decrease in other assets	523.61	(236.72)
Increase / (decrease) in trade payables, other liabilities and provisions	3,722.79	(2,189.11)
Cash generated from operating activities	2,217.55	314.70
(Income taxes paid) / refunds received	(48.14)	467.94
Net cash (used in) / from operating activities	(A) 2,169.41	782.64
Cash flows from investing activities		
Purchase of property, plant and equipment	(333.36)	(59.97)
Interest received	100.13	204.42
Bank deposits (having original maturity of more than three months)	(639.62)	(403.29)
Net cash used in investing activities	(B) (872.85)	(258.84)

Cash Flow Statement for the year ended March 31, 2022

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

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flows from financing activities			
Finance costs paid		(67.00)	(15.32)
Long term borrowings		55.89	-
Net cash used in financing activities	(C)	(11.11)	(15.32)
Net increase in cash and cash equivalents	(A+B+C)	1,285.45	508.48
Cash and cash equivalents at the beginning of the year (see note below)		941.31	432.83
Cash and cash equivalents at the end of the year (see note below)		2,226.76	941.31
Notes to cash flow statement			
		As at	As at
		March 31, 2022	March 31, 2021
Components of cash and cash equivalents:	12(i)		
- Cash in hand		-	-
- Bank balances			
- on current accounts		2.97	892.05
- on cash credit accounts		2,223.79	49.26
		2,226.76	941.31

Notes referred to above form an integral part of the financial statements

for **ASA & Associates LLP**
Chartered Accountants
Firm's Registration No. - 009571N/N500006

G N Ramaswami
Partner
Membership No: 202363

Place : Chennai
Date : May 27, 2022

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

Sharat Chandra Kolla
Director
DIN No: 08851423

Shridhar Gokhale
Whole-Time Director
DIN No: 08349732

Saikrishnan C P
Chief Financial Officer

Manikandan M
Company Secretary

Place : Kancheepuram
Date : May 27, 2022

Notes to financial statements for the year ended March 31, 2022

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

1 Company overview

- a. Indo Tech Transformers Limited ('Indo Tech' / 'the Company') is engaged in the business of manufacturing power and distribution transformers and various special application transformers, mobile sub-station transformers and sub-stations. The Company has its manufacturing plant located at Kancheepuram in Tamil Nadu.

2 Basis of preparation

a. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 specified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorised for issue by the Company's Board of Directors on May 27, 2022.

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

- b. The Company had been incurring losses over the last few years and has accumulated losses as at the reporting date. In order to overcome this, the Company has developed a business plan to strengthen its financial position / liquidity and has initiated corrective measures to improve its operational performance. Based on the approved business plans, availability of banking limits, commitment and intention of the Holding Company to provide timely financial and other assistance as may be considered necessary to enable the Company to continue in operational existence for the foreseeable future, the Company believes that it would be able to meet its financial requirements and no adjustments would be required in respect of the carrying values of assets / liabilities. Accordingly, these financial statements have been prepared on a going concern basis.

c. Historical Cost Convention

The Financial Statements have been prepared under historical cost convention on accrual basis except for certain assets and liabilities as stated in the respective policies, which have been measured at fair value.

d. Current / Non-Current classification

The assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013. Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

e. Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

f. Basis of measurement

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

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit liability / (asset)	Present value of defined benefit obligations less Fair value of plan assets

g. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2022 is included in the following notes:

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

Note 3(i) and Note 30 – recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources;

Note 7 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;

Note 18 – measurement of defined benefit obligations: key actuarial assumptions;

Note 3(f) – impairment of financial assets.

h. Measurement of fair values

A few of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 29 – financial instruments.

3 Significant accounting policies

a. Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

b. Financial instruments

(i) Recognition and initial measurement

Trade receivables and unbilled revenue are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through OCI (FVOCI) – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

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

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investments fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

c. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Depreciation

Depreciation is provided on the straight-line method over the useful life as prescribed under Part C of Schedule II of the Companies Act 2013. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative period are as follows:

Asset	Useful life (in years)
Buildings	30-60
Plant and machinery	15
Office equipments	5
Computer and accessories	3-6
Furniture and fixtures	10
Vehicles	8

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

d. Intangible assets

(i) Recognition and measurement

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss. Intangible assets comprise of softwares purchased which are amortised over a period of 5 years.

e. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

Value of identified items of finished goods and work-in-progress are written down if estimated recoverable value of such item is lower than its cost.

f. Impairment**(i) Impairment of financial instruments**

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the customer;
- a breach of contract such as a default / being significantly past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the customer will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Company's non-financial assets other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

g. Non-current assets held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

If the Company no longer satisfies the criteria for classification of such assets as held for sale, the assets are reclassified back to their original classification at the lower of its carrying value before the asset was classified as held for sale adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been reclassified as held for sale and its recoverable amount on the date of reclassification.

h. Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

(v) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

i. Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

(i) Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on technical evaluation, historical warranty data and a weighting of all possible outcomes by their associated probabilities.

(ii) Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

j. Earnings per share

Basic earnings per share is computed by dividing net profit or loss for the year attributable to equity shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share amounts are computed after adjusting the effects of all dilutive potential equity shares. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares.

k. Revenue

The Company derives revenues primarily from sale of transformers and related services (i.e. freight, insurance and labour).

(a) Sale of goods

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised goods refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales. Revenue from sale of goods is recorded net of allowances for estimated rebates, cash discounts and estimates of return of goods, all of which are established at the time of sale.

If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative standalone selling prices. In case of any modification to the contract, the entity recognises such modification as a separate contract if it increases both the performance obligation and the consideration due for such modification.

Arrangements with customers for sale of the goods are either on a fixed firm price basis or variable on a key material price change basis.

Amounts due in respect of price escalation claims and / or variation in sale are recognised as revenue only if the contract allows for such claims or variations and / or there is evidence that the customer has accepted it and it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Liquidated damages/penalties, warranties and contingencies are provided for, based on management's assessment of the estimated liability, as per the contractual terms and / or acceptance.

Revenues in excess of invoicing are classified as contract assets (i.e. unbilled revenue).

Consideration received before the transfer of goods to the customers are presented as a contract liability (i.e. advance from customers).

(b) Sale of services

Revenue from services is recognised as the performance obligation is satisfied in accordance with the terms of the relevant contract.

Disaggregation of revenue

The Company disaggregates revenue from contracts with customers by the nature of sale i.e. sale of transformers and sale of services and type of contracts viz fixed price contract and variable price contract. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors. Refer Note 20.

l. Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

m. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is engaged into the business of manufacture and sale of transformers and there are not more than one reportable segment as envisaged by Indian Accounting Standard 108 - Segment Reporting (Ind AS-108).

n. Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company recognises right-of-use asset (ROU) representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is

subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

o. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

p. Cash and cash equivalents

For the purpose of presentation in the statement of cash flow, cash and cash equivalents includes cash on hand, deposits held at call with the financial institution, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Notes to financial statements for the year ended March 31, 2022

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

4 Property, plant and equipment

Particulars	Freehold land*	Buildings*	Plant and machinery*	Office equipments	Computer and accessories	Furniture and fixtures	Total
Gross carrying value							
Balance as at March 31, 2020	1,177.29	2,662.28	2,696.66	23.05	39.07	61.83	6,660.18
Additions	-	23.68	26.00	6.70	3.59	-	59.97
Deletions / write off	-	-	-	-	-	-	-
Balance as at March 31, 2021	1,177.29	2,685.96	2,722.66	29.75	42.66	61.83	6,720.15
Additions	-	-	171.83	32.26	14.93	-	219.02
Deletions / write off	-	-	37.46	26.11	-	-	63.57
Balance as at March 31, 2022	1,177.29	2,685.96	2,857.03	35.90	57.59	61.83	6,875.60
Accumulated depreciation							
Balance as at March 31, 2020	-	485.98	1,308.31	8.93	14.38	49.54	1,867.14
Depreciation during the year	-	122.01	346.26	9.58	1.59	1.58	481.02
Deletions / write off	-	-	-	-	-	-	-
Balance as at March 31, 2021	-	607.99	1,654.57	18.51	15.97	51.12	2,348.16
Depreciation during the year	-	122.41	315.60	8.52	2.86	1.48	450.87
Deletions / write off	-	-	35.22	26.11	-	-	61.33
Balance as at March 31, 2022	-	730.40	1,934.95	0.92	18.83	52.60	2,737.70
Net block							
As at March 31, 2021	1,177.29	2,077.97	1,068.09	11.24	26.69	10.71	4,371.99
As at March 31, 2022	1,177.29	1,955.56	922.08	34.98	38.76	9.23	4,137.90

* Refer Note 36 to Financial Statements

Capital work-in-progress

Particulars	Amount
Balance as at April 1, 2020	-
Additions	-
Assets capitalised during the year	-
Balance as at March 31, 2021	-
Additions	114.34
Assets capitalised during the year	-
Balance as at March 31, 2022	114.34

CWIP ageing schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	114.34	-	-	-	114.34
Projects temporarily suspended	-	-	-	-	-

Notes to financial statements for the year ended March 31, 2022

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

5 Intangible assets

Particulars	Computer software	Total
Gross carrying value		
Balance as at April 1, 2020	11.06	11.06
Additions	-	-
Disposals	-	-
Balance as at March 31, 2021	11.06	11.06
Additions	-	-
Disposals	-	-
Balance as at March 31, 2022	11.06	11.06
Accumulated amortisation		
Balance as at April 1, 2020	7.39	7.39
Amortisation during the year	1.27	1.27
Disposals	-	-
Balance as at March 31, 2021	8.66	8.66
Amortisation during the year	1.27	1.27
Disposals	-	-
Balance as at March 31, 2022	9.93	9.93
Net block		
As at March 31, 2021	2.40	2.40
As at March 31, 2022	1.13	1.13

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

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposits	198.75	226.22
Bank deposit (due to mature after 12 months from the reporting date)*	154.25	301.66
Total	353.00	527.88

* Under lien with banks

Notes to financial statements for the year ended March 31, 2022

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

7 Deferred tax assets, net

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax assets		
On Carried forward tax losses and other provisions*	330.54	378.43
	330.54	378.43
Deferred tax liabilities		
On excess of depreciation / amortisation on fixed assets under income-tax law over depreciation / amortisation provided in accounts	330.54	378.43
	330.54	378.43
Deferred tax assets (net)	-	-

* Deferred tax asset on unabsorbed depreciation or carry forward of losses are recognised only if there is a probable certainty of realisation of such assets. Hence, deferred tax asset on carried forward tax losses and other provisions has been restricted to the extent of deferred tax liabilities.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the unused tax losses amounting to Rs.3,417.02 lakhs as at March 31, 2022 and Rs. 7,081.60 lakhs as at March 31, 2021 because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.

Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows.

Particulars	As at March 31, 2022	Expiry date	As at March 31, 2021	Expiry date
Expire (Note below)	253.74	Refer below	3,828.50	Refer below
Never expire	3,163.28		3,253.10	
Total	3,417.02		7,081.60	

Year of Expiry Financial year ending March 31	As at March 31, 2022	As at March 31, 2021
2022	-	3,408.39
2023	253.74	420.11
Total	253.74	3,828.50

8 Other tax assets

Particulars	As at March 31, 2022	As at March 31, 2021
Tax payments pending adjustments (net of provision for taxes)	159.29	139.79
Total	159.29	139.79

Notes to financial statements for the year ended March 31, 2022

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

9 Other non-current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with government authorities (unsecured, considered doubtful)	33.23	33.23
Balance with government authorities	-	22.43
Less: Provision for doubtful receivables	-	(22.43)
Total	33.23	33.23

10 Inventories

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

Particulars	As at March 31, 2022	As at March 31, 2021
Raw material and components *	879.67	920.44
Work-in-progress	4,226.45	2,504.43
Finished goods	126.33	106.27
Stores, spares and consumables	57.33	56.55
Total	5,289.78	3,587.69
Less: Provision for inventories	(133.33)	(133.33)
Total	5,156.45	3,454.36

* includes goods-in-transit of Rs. 123.82 lakhs as at March 31,2022

Refer Note 36 to Financial Statements

11 Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Secured, considered good (Refer note 36)	-	411.71
Unsecured, considered good	8,295.58	6,655.48
Significant increase in credit risk	-	279.23
Credit impaired / doubtful	2,000.78	1,422.44
	10,296.36	8,768.86
Less: Loss allowance (Refer note below)	(2,137.21)	(1,841.74)
Net trade receivables	8,159.15	6,927.12

Notes to financial statements for the year ended March 31, 2022

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

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

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

Trade Receivables ageing schedule for the year ended March 31, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - Considered good	5,287.50	200.48	216.08	27.35	1,335.78	7,067.19
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	1.45	7.59	1,413.40	1,422.44
(iv) Disputed Trade receivables - Considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	279.23	279.23
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

Note:

For trade receivables from related parties, refer note 32.

Refer Note 36 with respect to charge of trade receivables with banks

The Company's exposure to credit risks and loss allowances related to trade receivables are disclosed in note 29.

Notes to financial statements for the year ended March 31, 2022

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

12 (i) Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents:		
Bank balances		
- on current accounts	2.97	892.05
- on cash credit accounts	2,223.79	49.26
Total	2,226.76	941.31

(ii) Bank balances other than above

Particulars	As at March 31, 2022	As at March 31, 2021
Deposit accounts with maturity up to twelve months*	2,023.54	1,236.50
Total	2,023.54	1,236.50

* Under lien with banks

13 Other current financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
<i>To parties other than related parties</i>		
Interest accrued on deposits	40.35	50.66
Unbilled revenue	981.36	-
Total	1,021.71	50.66

14 Other current assets

Particulars	As at March 31, 2022	As at March 31, 2021
<i>(unsecured, considered good)</i>		
Advance to suppliers	208.19	723.74
GST receivable	97.35	44.34
Staff advances	60.69	55.35
Gratuity (Refer Note 18(a))	0.48	55.91
Prepayments	83.94	95.04
<i>(unsecured, considered doubtful)</i>		
Other receivables	14.66	14.54
Less: Provision for doubtful receivables	(14.66)	(14.54)
Total	450.65	974.38

Notes to financial statements for the year ended March 31, 2022

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

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

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
15,300,000 (Mar 31, 2021: 15,300,000) Equity Shares of Rs.10 each	1,530.00	1,530.00
Issued, subscribed and paid up		
10,620,000 (Mar 31, 2021: 10,620,000) Equity Shares of Rs.10 each fully paid up	1,062.00	1,062.00

b Reconciliation of the shares outstanding at the beginning and at the end of the year is as under:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
At the commencement and at the end of the year	1,06,20,000	1,062.00	1,06,20,000	1,062.00

c Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder in a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

d Shares held by holding company and / or their subsidiaries / associates

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs. 10 each fully paid up held by: Shirdi Sai Electricals Limited (holding Company from 03-09-2020)	74,35,407	743.54	78,20,905	782.09

Notes to financial statements for the year ended March 31, 2022

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

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

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% of total shares in the class	Number of shares	% of total shares in the class
Equity shares of Rs. 10 each fully paid up held by: Shirdi Sai Electricals Limited (holding Company from 03-09-2020)	74,35,407	70.01%	78,20,905	73.64%

f Disclosure of shareholding of Promoters

Promoters name	As at March 31, 2022			As at March 31, 2021		
	No of Shares	% of Total Shares	% Change during the year	No of Shares	% of Total Shares	% Change during the year
Shirdi Sai Electricals Limited	74,35,407	70.01%	-4.93%	78,20,905	73.64%	100%
Prolec GE International, S de R L de C.V., Mexico	5,29,593	4.99%	-	5,29,593	4.99%	-93.29%

g Shares issued and bought back during the five years immediately preceding the date of Balance sheet ie., March 31, 2022- Nil**B. Capital management**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. It sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

16 Other Equity**a. Securities premium**

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

b. Capital reserve

Capital reserve represents the subvention (voluntary, non-repayable financial grant) of US\$ 25 million (Rs. 14,912.50 lakhs) received from the Prolec GE Internacional, S de R.L de C.V., Mexico, the erstwhile holding company.

c. General reserve

General reserve is the accumulation of retained earnings of the Company, apart from the statement of profit and loss balance, which is utilised for meeting future obligations.

d. Retained earnings

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

e. Other comprehensive income

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

Notes to financial statements for the year ended March 31, 2022

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

17 Borrowings - Non Current

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Term Loan		
From Banks	55.89	-
Less: Current maturities of long term borrowings	45.00	-
Total	10.89	-

The Company had been sanctioned a term loan of Rs. 800 lakhs towards building second transformer testing facility and the Company as at the Balance sheet date had drawn only Rs.55.89 Lakhs and had utilised towards the said purpose only.

Terms of Repayment:

Term loans are repayable over a period of 78 months, after a moratorium period of 6 months.

Refer note 36 to Financial Statements for securities provided

17 (i) Borrowings - Current

Particulars	As at March 31, 2022	As at March 31, 2021
Working capital facilities	-	-
Current maturities of long term borrowings	45.00	-
Total	45.00	-

Refer note 36 to Financial Statements for securities provided

18 Provisions

Particulars	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits				
Gratuity (Refer note 18 (a))	-	-	-	-
Compensated absences	84.46	99.13	35.93	28.46
	84.46	99.13	35.93	28.46
Other provisions (Refer note 18(b))				
Provision for warranty	-	-	309.11	272.51
Provision for others	-	-	34.33	57.33
	-	-	343.44	329.84
Total	84.46	99.13	379.37	358.30

Notes to financial statements for the year ended March 31, 2022

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

(a) Provisions for employee benefits

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

The Company operates the following post-employment defined benefit plans.

Gratuity: The Company has a defined benefit gratuity plan, governed by the Payment of Gratuity Act, 1972. It entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. The gratuity plan is a funded plan and the Company makes contributions to a fund managed by the LIC. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

A. Funding

The gratuity plan is fully funded by the Company. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding of Plan is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in (D). Employees do not contribute to the plan.

B. Reconciliation of the net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Reconciliation of present value of defined benefit obligation		
Balance at the beginning of the year	516.50	497.52
Benefits paid	(12.28)	(9.36)
Current service cost	37.97	38.74
Past service cost	-	-
Interest cost	32.31	32.81
Actuarial (gains) losses recognised in other comprehensive income		
changes in financial assumptions	(30.44)	(60.50)
experience adjustments	54.54	17.29
Balance at the end of the year	598.60	516.50
Reconciliation of the present value of plan assets		
Balance at the beginning of the year	572.41	474.15
Contributions made to the plan	6.04	77.51
Benefits paid	(12.28)	(9.36)
Interest income	38.49	31.56
Return on plan assets recognised in other comprehensive income	(5.58)	(1.45)
Balance at the end of the year	599.08	572.41

Notes to financial statements for the year ended March 31, 2022

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Present value of defined benefit obligation	598.60	516.50
Present value of plan assets	599.08	572.41
Net Liability/(Asset)	(0.48)	(55.91)

C. (i) Expense recognised in profit or loss

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost	37.97	38.74
Past service cost	-	-
Interest cost	32.31	32.81
Interest income	(38.49)	(31.56)
Net gratuity costs recognised in profit or loss	31.79	39.99

(ii) Remeasurements recognised in other comprehensive income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Actuarial (gain) loss on defined benefit obligation	24.10	(43.21)
Return on plan assets excluding interest income	5.58	1.45
Total	29.68	(41.76)

D. Defined benefit obligation
(i) Actuarial assumptions

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

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	7.00%	6.45%
Long term rate of compensation increase	5.00%	5.00%
Estimated rate of return on plan assets	7.00%	7.00%

Notes to financial statements for the year ended March 31, 2022

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

(ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	As at March 31, 2022		As at March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(25.69)	27.58	(23.50)	25.38
Future salary growth (0.50% movement)	27.64	(25.94)	25.31	(23.92)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(b) Movements in other provisions

Particulars	Warranty		Others	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
At the commencement of the year	272.51	248.40	57.33	-
Provision made during the year	130.08	114.32	-	57.33
Provision utilised / written back during the year	(93.48)	(90.21)	(23.00)	-
At the end of the year	309.11	272.51	34.33	57.33

Provision for warranty: A provision is estimated for expected warranty claims in respect of products sold during the year on the basis of a technical evaluation and past experience regarding failure trends of products and costs of rectification or replacement. The provision for warranty is maintained over the period of the warranty, as per the terms of the contract.

Provision for others: This represents provisions made for probable liabilities / claims arising out of pending disputes / litigations with indirect tax authorities.

19 Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Dues of micro enterprises and small enterprises (Refer note 31)	1,255.56	652.00
Dues of creditors other than micro enterprises and small enterprises	5,820.74	3,116.99
Total	7,076.30	3,768.99

Notes to financial statements for the year ended March 31, 2022

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

Trade payables ageing schedule
Current Reporting Period

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,243.79	3.28	5.68	2.81	1,255.56
(ii) Others	5,733.51	47.02	10.13	30.08	5,820.74
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Previous Reporting Period

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	643.51	5.68	2.77	0.04	652.00
(ii) Others	3,073.66	12.35	7.10	23.88	3,116.99
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

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

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

20 Other current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from customers	1,154.22	949.45
Employee benefits payable	211.06	122.47
Statutory dues payable	363.65	38.35
Total	1,728.93	1,110.27

Notes to financial statements for the year ended March 31, 2022

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

21 Revenue from operations

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of products	27,260.54	20,123.95
Total sale of products (A)	27,260.54	20,123.95
Sale of services		
Freight and insurance	317.64	186.39
Labour services	196.33	198.77
Total sale of services (B)	513.97	385.16
Other operating revenues		
Scrap sales	232.22	90.80
Total other operating revenues (C)	232.22	90.80
Total revenue from operations (A+B+C)	28,006.73	20,599.91

Disaggregation of revenue from contracts with customers

In the following disclosure, revenue from contract with customers is disaggregated by nature of contract.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Type of contracts		
Fixed price	8,855.42	19,354.53
Variable price	19,151.31	1,245.38
	28,006.73	20,599.91

22 Other income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income from:		
Fixed deposit	83.31	54.26
Income tax refund	6.51	169.17
Income from power generation	29.43	29.78
Foreign exchange gain, net	7.34	-
Liabilities / provisions no longer required written back	23.05	3.28
Miscellaneous income	18.87	35.21
Total	168.51	291.70

Notes to financial statements for the year ended March 31, 2022

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

23 Cost of materials consumed

(including stores and spares)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventory of materials at the beginning of the year	976.99	1,372.71
Add: Purchases*	21,317.06	13,134.08
Less: Inventory of materials at the end of the year	937.00	976.99
Cost of materials consumed	21,357.05	13,529.80

* includes goods-in-transit of Rs. 123.82 lakhs as at March 31,2022

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening inventory		
Finished goods		
Transformers	106.27	518.63
Work-in-progress		
Transformers under production	2,504.43	2,863.90
	2,610.70	3,382.53
Less: Closing inventory		
Finished goods		
Transformers	126.33	106.27
Work-in-progress		
Transformers under production	4,226.45	2,504.43
	4,352.78	2,610.70
Changes in inventories of finished goods and work-in-progress	(1,742.08)	771.83

25 Employee benefits expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	2,285.22	2,039.05
Contribution to provident and other funds	100.34	86.57
Expenses related to post-employment defined benefit plans (Refer note 18)	31.79	39.99
Staff welfare expenses	93.21	86.09
Total	2,510.56	2,251.70

Notes to financial statements for the year ended March 31, 2022

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

26 Finance costs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest - Bank	24.80	10.15
Interest - Others (including for MSME)	97.59	3.28
Other Borrowing Cost	35.44	23.71
Total	157.83	37.14

27 Depreciation and amortisation expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment (Refer note 4)	450.87	481.02
Amortisation of intangible assets (Refer note 5)	1.27	1.27
Total	452.14	482.29

28 Other expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent	11.37	12.89
Rates and taxes	52.58	153.08
Power and fuel	235.40	194.82
Repairs and maintenance:		
- Buildings	249.59	112.69
- Plant and machinery	80.38	34.36
- Others	34.52	45.74
Contract labour	271.86	225.52
Factory expenses	501.19	268.97
Insurance	54.59	29.99
Printing and stationery	8.05	13.07
Travelling and conveyance	220.18	134.10
Communication expenses	10.32	10.73
Professional and legal charges	190.68	203.80
Payment to auditors (refer note below)	19.98	22.58
Directors' sitting fees	8.15	9.45
Advertisement and sales promotion	26.22	8.70
Agency commission	143.23	491.35

Notes to financial statements for the year ended March 31, 2022

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

28 Other expenses (continued)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Royalty	640.51	98.47
Freight outward	427.91	306.22
Bank charges	521.70	264.62
Property, plant and equipment written off	2.24	-
Provision for doubtful debts	295.47	328.42
Deposits written off	-	2.01
Advances written back in earlier years	-	63.33
Foreign exchange loss, net	-	2.82
Warranty cost, net	65.59	58.05
General expenses	120.44	87.78
Total	4,192.15	3,183.56

Note: Payment to auditors (excluding tax)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
As Auditor:		
Statutory audit	12.00	12.00
Tax audit	2.00	2.00
Limited review of quarterly results	3.50	5.75
Corporate Governance	1.00	1.00
Others	0.75	0.75
Reimbursement of expenses	0.73	1.08
Total	19.98	22.58

Notes to financial statements for the year ended March 31, 2022

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

29 Financial instruments - Fair values and risk management**A. Accounting classifications and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

	Carrying amount as at March 31, 2022			Fair value
	FVTPL	FVOCI	Amortised cost	Level 3
Financial assets measured at fair value				
Nil	-	-	-	-
Financial assets not measured at fair value				
Security Deposits	-	-	198.75	
Trade receivables	-	-	8,159.15	
Cash and cash equivalents	-	-	2,226.76	
Bank balances other than above	-	-	2,023.54	
Unbilled revenue	-	-	981.36	
Bank deposits	-	-	154.25	
Interest accrued	-	-	40.35	
Total financial assets	-	-	13,784.16	
Financial liabilities not measured at fair value				
Borrowings	-	-	55.89	
Trade payables	-	-	7,076.30	
Total financial liabilities	-	-	7,132.19	

	Carrying amount as at March 31, 2021			Fair value
	FVTPL	FVOCI	Amortised cost	Level 3
Financial assets measured at fair value				
Nil	-	-	-	-
Financial assets not measured at fair value				
Security Deposits	-	-	226.22	
Trade receivables	-	-	6,927.12	
Cash and cash equivalents	-	-	941.31	
Bank balances other than above	-	-	1,236.50	
Unbilled revenue	-	-	-	
Bank deposits	-	-	301.66	
Interest accrued	-	-	50.66	
Total financial assets	-	-	9,683.47	
Financial liabilities not measured at fair value				
Borrowings	-	-	-	
Trade payables	-	-	3,768.99	
Total financial liabilities	-	-	3,768.99	

Note: The Company has not disclosed fair values of financial instruments such as trade receivables and related unbilled revenue, cash and bank balances, deposits, bank deposits, interest accrued and trade payables (that are short term in nature), because their carrying amounts are reasonable approximations of their fair values. Such items have been classified under amortised costs in the above table.

Notes to financial statements for the year ended March 31, 2022

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

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

The Company has exposure to the following risks arising from financial instruments:

- Credit risk (See B(ii))
- Liquidity risk (See B(iii)) and
- Market risk (See B(iv))

(i) Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade receivables, deposits and other financial assets.

The carrying amount of financial assets represents the maximum credit exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company's trade receivables and other financial assets.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including end-user customers, industry, trading history with the Company and existence of previous financial difficulties.

Expected credit loss assessment for customers as at March 31, 2022 and March 31, 2021

The Company based on internal assessment which is driven by the historical experience / current facts available in relation to default and delays in collection thereof uses an allowance matrix to measure the expected credit loss of trade receivables. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses.

Notes to financial statements for the year ended March 31, 2022

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

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

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

Particulars	March 31, 2022			March 31, 2021		
	Gross carrying amount	Weighted-average loss rate	Loss allowance	Gross carrying amount	Weighted-average loss rate	Loss allowance
Current (not past due)	5,100.71	0.40%	20.45	3,929.37	0.17%	6.75
1-90 days past due	1,343.11	2.75%	36.90	1,303.81	0.63%	8.24
More than 90 days past due	3,852.54	53.99%	2,079.86	3,535.68	51.67%	1,826.75
Total	10,296.36		2,137.21	8,768.86		1,841.74

Movements in the allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade receivables is as follows:

	2022	2021
Balance at 1 April	1,841.74	1,513.32
Amounts written off	-	-
Net remeasurement of loss allowance	295.47	328.42
Balance at 31 March	2,137.21	1,841.74

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, including contractual interest but excluding impact of netting agreements.

As at March 31, 2022

Particulars	Contractual cash flows		
	Carrying amount	1 year or less	More than 1 year
Trade payables	7,076.30	7,076.30	-
Total	7,076.30	7,076.30	-

As at March 31, 2021

Particulars	Contractual cash flows		
	Carrying amount	1 year or less	More than 1 year
Trade payables	3,768.99	3,768.99	-
Total	3,768.99	3,768.99	-

Notes to financial statements for the year ended March 31, 2022

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

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

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The Company is domiciled in India and has its majority of revenues and other transactions in its functional currency i.e. Rs. Accordingly, the Company is not exposed to any high currency risk.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency. The currencies in which these transactions are primarily denominated is USD.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk are as follows:

Particulars	As at	As at
	March 31, 2022	March 31, 2021
	USD	USD
Trade and other receivables	2.16	17.25
Trade and other payables	(0.26)	(0.49)
Net exposure in respect of recognised assets and liabilities	1.90	16.76

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Rs. against US dollar as at March 31 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2022				
USD (1% movement)	1.44	(1.44)	1.44	(1.44)
March 31, 2021				
USD (1% movement)	12.32	(12.32)	12.32	(12.32)

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

Particulars	As at	As at
	March 31, 2022	March 31, 2021
(a) Contingent liabilities:		
Claims against the company not acknowledged as debt		
- Income tax matters	-	21.25
- Excise duty matters	214.70	214.70
- Service tax matters	91.34	91.34
- Sales tax matters	40.72	40.72
(b) Commitments:		
Estimated amount of contracts remaining to be executed on capital account (net of advances)	77.28	-

Notes to financial statements for the year ended March 31, 2022

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

Notes:

Pursuant to the Supreme Court judgement dated February 28, 2019 on the inclusion of special allowances for contribution to provident fund, the Company has been legally advised that there are interpretative challenges on the application of the judgement retrospectively. Based on the legal advice and in the absence of the reliable measurement of the provision for earlier periods, the Company has not recorded a provision for the prior years.

- 31 The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2022 has been made in the financial statements based on information received and available with the Company.

Particulars	As at March 31, 2022	As at March 31, 2021
The amounts remaining unpaid to micro, small and medium suppliers at the end of the year		
- Principal	1,155.79	643.07
- Interest	99.77	8.93
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).	-	-
The amounts of payment made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	99.77	8.93
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-

32 Related party transactions

Names of related parties with whom controls exists and nature of relationship are as follows:

Nature of relationship	Name of the related party
Holding company	Shirdi Sai Electricals Limited Prolec GE Internacional, S de R.L de C.V., Mexico (holding company till September 03, 2020)
Key management personnel	Mr. Shridhar Gokhale, Whole-Time Director Dr. Sutanu Behuria, Independent Director (Appointed w.e.f August 19, 2020) Mr. Ajay Kumar Dhagat, Independent Director (Appointed w.e.f August 13, 2020) Ms. Leena Mukundh Sathyanarayanan, Independent Director (Appointed w.e.f November 05, 2020) Mr. Visweswara Reddy Narreddy, Director (Appointed w.e.f September 03, 2020) Mr. Sharat Chandra Kolla, Director (Appointed w.e.f September 03, 2020) Mr. Saikrishnan C P, Chief Financial Officer Mr. Sathyamoorthy A, Company Secretary

Notes to financial statements for the year ended March 31, 2022

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

32 Related party transactions (continued)
Details of related party transactions

Nature of transaction	Year ended March 31, 2022	Year ended March 31, 2021
Agency commission paid / accrued		
GE India Industrial Private Limited (till September 03, 2020)	-	100.05
Shirdi Sai Electricals Limited	49.54	-
Royalty paid / accrued		
Prolec GE Internacional, S de R.L de C.V., Mexico	640.51	98.47
Service cost paid/ accrued		
Prolec GE Internacional, S de R.L de C.V., Mexico	-	112.50
Sale of goods		
Shirdi Sai Electricals Limited	1,119.41	-
Sale of services		
Shirdi Sai Electricals Limited	49.95	2.00
Purchases of goods		
Shirdi Sai Electricals Limited	105.84	11.55
Job work charges		
Shirdi Sai Electricals Limited	-	0.23
Reimbursement of expenses		
Prolec GE Internacional, S de R.L de C.V., Mexico	-	1.12
Managerial remuneration		
Mr. Shridhar Gokhale, Whole-Time Director	89.58	83.87
Mr. Saikrishnan C P, CFO	39.94	35.59
Mr. Sathyamoorthy A, Company Secretary	27.03	21.22
Sitting Fees (Key management personnel)	8.15	9.45
Balances at year end	As at March 31, 2022	As at March 31, 2021
Net Balances due from Shirdi Sai Electricals Limited	848.04	-
Net Balances due to Shirdi Sai Electricals Limited	-	4.20
Prolec GE Internacional, S de R.L de C.V., Mexico	737.86	209.85

Note : The company has entered into an agreement in the preceding year with Shirdi Sai Electricals Limited (SSEL), whereby SSEL has assured the company that they would make good the loss to the benefit of the company in case certain identified customers do not pay or default the payment of outstanding dues. Accordingly, SSEL has paid a sum of Rs. 458.26 lakhs during the current year to the company.

Notes to financial statements for the year ended March 31, 2022

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

- 33 The Company is engaged in the business of manufacture and sale of transformers and there are not more than one reportable segment as envisaged by Indian Accounting Standard 108 - Segment Reporting (Ind AS-108).

Geographical information

Revenue attributed to the Company's country of domicile and foreign countries from which the Company derives revenues is as under;

Particulars	As at March 31, 2022	As at March 31, 2021
India	27,982.81	18,433.83
Rest of the world	23.92	2,166.08
Total	28,006.73	20,599.91

34 Earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Profit for the year, attributable to the equity holders	1,218.95	628.58
Weighted average number of equity shares	1,06,20,000	1,06,20,000
Earnings per equity share: (Face value of Rs.10 per share)		
- Basic in Rs.	11.48	5.92
- Diluted in Rs.	11.48	5.92

35 Impact of COVID-19 pandemic

The company has taken into account all the possible impacts of COVID-19 in preparation of the financial statements. The Company has carried out this assessment based on available internal and external information and has performed an analysis based on current estimates while assessing the recoverability of assets including, trade receivables, inventories and other current / non-current assets (net of provisions established) for any possible impact on the financial results. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial controls etc., and is of the view that based on its current assessment, this situation does not materially impact these financial results. The Company will continue to closely monitor any material changes to future economic conditions.

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

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

b) Primary Security:

(i) For Working Capital facilities

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

(ii) For Term Loan

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

c) Collateral Security:

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

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

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

- Hypothecation of Windmill at Thirunelveli

- Lien on Fixed deposits Rs. 67 lakhs

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

Notes to financial statements for the year ended March 31, 2022

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

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

Quarter	Amounts as per Books of Account	Amount as reported in the quarterly returns/ statements	Amount of Differences	Reason for Material Discrepancies (if any)
Mar-22	9,797.77	7,470.00	(2,327.77)	Provisional numbers shared with Bank, actuals will be submitted after audit

37 Key Ratios of the Company are summarized below:

Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Variance (%)
(a) Current ratio	Current assets	Current liabilities	2.1	2.6	-20%
(b) Debt-Equity ratio	Debt	Shareholder's Equity	0.00	-	-
(c) Debt service coverage ratio	Earnings available for debt service	Debt Service	NA	NA	-
(d) Return on Equity ratio ⁽¹⁾	Net Profit after taxes	Shareholder's Equity	8.4%	4.7%	78%
(e) Inventory turnover ratio ⁽²⁾	Cost of goods sold	Average Inventory	4.6	3.5	29%
(f) Trade receivables turnover ratio ⁽³⁾	Revenue	Average Trade Receivable	3.7	2.9	29%
(g) Trade payables turnover ratio ⁽⁴⁾	Purchases	Average Trade Payable	3.9	2.8	41%
(h) Net capital turnover ratio	Revenue	Average Working capital	3.1	2.7	15%
(i) Net profit ratio ⁽⁵⁾	Net Profit	Total income	4.4%	3.0%	46%
(j) Return on Capital employed ⁽⁶⁾	Earnings before interest and taxes	Capital Employed	9.6%	5.0%	92%
(k) Return on investment	NA	NA	-	-	-

⁽¹⁾ the drastic growth in net profit during the year contributed to increase in the ratio

⁽²⁾ higher cost of goods sold owing to revenue growth and efficient inventory management has resulted in improvement in the ratio

⁽³⁾ better collections in terms of receivables lead to improvement in the ratio

⁽⁴⁾ pre-closure of LCs for key material vendors during the year lead to increase in the ratio

⁽⁵⁾ revenue growth with no drastic change in the fixed costs resulted in the improvement of net profit ratio

⁽⁶⁾ higher net profit with no change in the capital employed has resulted in improvement of this ratio

Notes to financial statements for the year ended March 31, 2022

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

38 Transfer pricing

The Company has transactions with related parties. For the financial year 2020-21, the Company has obtained the Accountant's Report from a Chartered Accountant as required by the relevant provisions of the Income-tax Act, 1961 and has filed the same with the tax authorities. For the financial year 2021-22, the management confirms that it maintains documents as prescribed by the Income-tax Act, 1961 to prove that these transactions are at arm's length considering the economic scenario, prevailing market conditions etc. and the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

39 The Company is in the process of reconciling the monthly returns filed under the Central Goods and Services Tax Act, 2017 ("CGST Act") with its books and records to file the annual return for FY 2021-22. Adjustments, if any, consequent to the said reconciliation will be given effect to in the financial statements on completion of reconciliation and filing of returns. However, in the opinion of the Management, the impact of the same will not be material.

40 Code of Social Security, 2020

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

41 Prior Year Comparatives

Previous year figures have been re-grouped/ re-classified, wherever necessary, to confirm to current year's classification and presentation

As per our report of even date attached

for ASA & Associates LLP

Chartered Accountants

Firm's Registration No. - 009571N/N500006

G N Ramaswami

Partner

Membership No: 202363

Place : Chennai

Date : May 27, 2022

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

Sharat Chandra Kolla

Director

DIN No: 08851423

Shridhar Gokhale

Whole-Time Director

DIN No: 08349732

Saikrishnan C P

Chief Financial Officer

Manikandan M

Company Secretary

Place : Kancheepuram

Date : May 27, 2022



National Accreditation Board for
Testing and Calibration Laboratories

CERTIFICATE OF ACCREDITATION

INDO TECH TRANSFORMERS LIMITED

has been assessed and accredited in accordance with the standard

ISO/IEC 17025:2017

**"General Requirements for the Competence of Testing &
Calibration Laboratories"**

for its facilities at

S.NO.153-210, ILLUPPATTU VILLGE, RAJAKULAM POST, KANCHIPURAM, TAMIL NADU, INDIA

in the field of

TESTING

Certificate Number: TC-5622

Issue Date: 24/04/2022

Valid Until: 23/04/2024

This certificate remains valid for the Scope of Accreditation as specified in the annexure subject to continued satisfactory compliance to the above standard & the relevant requirements of NABL.
(To see the scope of accreditation of this laboratory, you may also visit NABL website www.nabl-india.org)

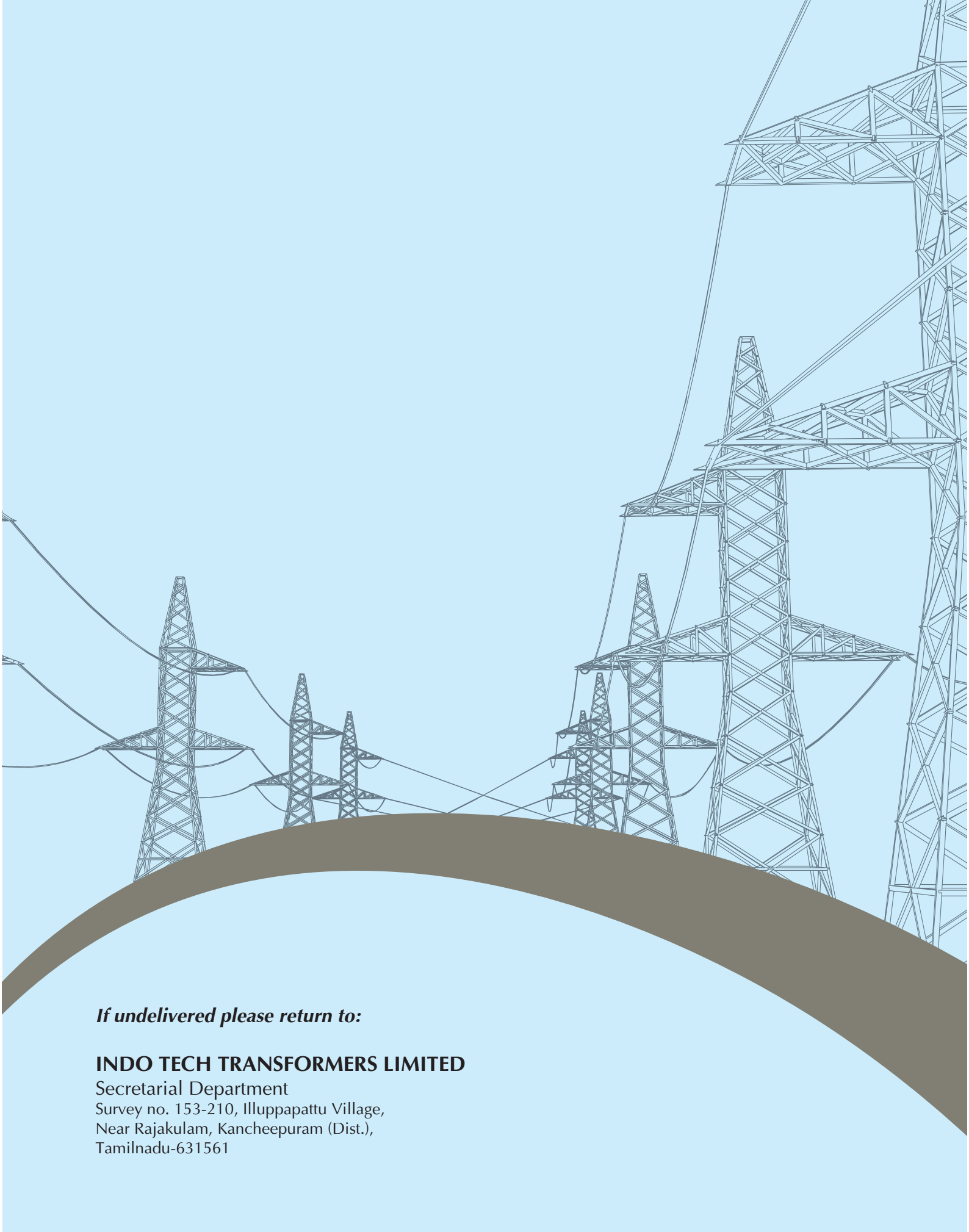
Name of Legal Identity : INDO TECH TRANSFORMERS LIMITED

Signed for and on behalf of NABL



N. Venkateswaran
Chief Executive Officer

NABL Accredited Testing Facility



If undelivered please return to:

INDO TECH TRANSFORMERS LIMITED

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