

# SHILCHAR TECHNOLOGIES LIMITED



Date: 16<sup>th</sup> July, 2024

To,  
The BSE Limited,  
Department Of Corporate Services,  
Floor 1, Rotunda Building,  
P. J. Towers, Dalal Street,  
Mumbai - 400 001

**Subject: Submission of 38<sup>th</sup> Annual Report for the Financial Year 2023-2024.**

**Scrip Code: 531201**

Dear Sir/Madam,

Pursuant to provisions of Regulation 34(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, we have enclosed herein a soft copy of the 38<sup>th</sup> Annual Report of the Company for the Financial Year 2023-24, for your record and reference.

Please note that the 38<sup>th</sup> Annual General Meeting of the Company is scheduled to be held on Monday, the 12<sup>th</sup> August, 2024 at 11:00 a.m. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM").

It may be noted that same has been uploaded on the Company's Website.

Kindly acknowledge the same.

Thanking you,  
Yours faithfully,

**For Shilchar Technologies Limited**

**Mauli Mehta**  
**Company Secretary & Compliance Officer**

Encl.: 38<sup>th</sup> Annual Report 2023-2024.



# The Power of **Performance**





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# Letter to Shareholders

## Dear Shareholders,

It is a pleasure to communicate with you through our Annual Report for 2024. As you are already aware, the last few years have been very eventful for your company, particularly FY24. The entire transformer industry is witnessing massive growth propelled by large investments in India's power sector-across the entire value chain-including generation, transmission, distribution, and sub-domains like renewable energy and grid upgradation, among others.

While we are a direct beneficiary of this tailwind, it would be fair to say that Shilchar Technologies has been able to make the most of these trends given its industry positioning and business model. Our evolution over nearly four decades of history, and our focus on distribution transformers, particularly for renewable energy and other specific industrial applications over the last 15 years, has positioned us well to leverage these tailwinds effectively.

Our unique knack for understanding customer requirements, outstanding design capabilities to create customer-specific products, and our commitment to manufacturing quality products position us well to capitalise on industry trends. We have an in-house design and engineering team consisting of 15 people, including electrical and mechanical engineers. Further, I personally take a keen interest in the design function of the company. This capability enables us to serve custom-designed transformers based on client specifications, as the majority of our business is of such nature. We don't operate with a stock-and-sell model. Each product is designed specifically for each project.

## The Year Under Review

FY24 has been our best-ever year, with the Company reporting all-round performance. To begin with, we utilised 100% of our existing 4,000 MVA capacity throughout the last financial year. Given the higher production and conducive pricing environment, the Company reported its highest-ever top line of ₹ 397 Cr, registering a growth of 42% over the previous year. Further, given a good product mix and operating leverage from higher capacity utilisation, the Company registered higher profitability margins. EBITDA Margin stood at 29% for FY24, compared to 19% for FY23. As a result, PAT for the year stood at ₹ 92 Cr, registering a growth of 113% year-on-year. Taking into consideration our robust balance sheet position with a debt-free status and net-cash reserves, we are confident of pursuing our future growth objectives through our internal accruals. Further, taking into account the performance for the year, the Board of Directors has recommended a final dividend of ₹ 12.5 per share for FY24, subject to approval of shareholders at the ensuing AGM.

While we are a direct beneficiary of this tailwind, it would be fair to say that Shilchar Technologies has been able to make the most of these trends given its industry positioning and business model. Our evolution over nearly four decades of history, and our focus on distribution transformers, particularly for renewable energy and other specific industrial applications over the last 15 years, has positioned us well to leverage these tailwinds effectively.

## Capacity Expansion

Given the optimal utilisation of existing capacity, coupled with a robust industry demand outlook, your Company has decided to undertake a capacity expansion at its Gavasad site. This expansion is slated to be completed in Q2FY25 and will expand our capacity from the existing 4,000 MVA to 7,500 MVA. The new capacity will be available for production from H2FY25, and barring the initial teething issues, we expect decent utilisation of additional capacity in H2FY25. Given the sizable land parcel at Gavasad, 2/3<sup>rd</sup> of which will be available for future expansion even after the current expansion concludes, the Company can continue to expand here for many years. Furthermore, given these are brownfield expansions, we are also able to build capacity faster as per the industry demand scenario. We will keep you posted as and when there are more developments on this front.

## Concluding Thoughts

As we move forward, we will continue to focus on our niche within the industry and strive to deliver the best-quality products to our customers. I am very proud to say that in the last few years, Shilchar has built remarkable brand value and reputation within its domain in the industry. We have become a sought-after brand not just in India but in international markets as well, and we will continue to build on this as we move forward.

Once again, I would like to thank all our stakeholders, including our employees, customers, and shareholders, for their unwavering support and trust in Shilchar Technologies.

Warm regards,

**Alay Shah**

Managing Director

Shilchar Technologies Limited

# Corporate Information

## BOARD OF DIRECTORS

**Mr. Alay J. Shah**

Chairman & Managing Director

**Mr. Aashay A. Shah**

Executive Director

**Mr. Mukesh D. Patel**

Non-Executive Independent Director  
upto 31<sup>st</sup> March, 2024

**Ms. Reshma S. Patel**

Non-Executive Independent Director

**Mr. Zarksis Parabia**

Non-Executive Independent Director

**Mr. Rajesh Varma**

Non-Executive Independent Director

**Mr. Rakesh Dhanraj Bansal**

Non-Executive Independent Director  
w.e.f 6<sup>th</sup> February, 2024

**Mr. Prajesh K. Purohit**

CFO

**Ms. Niki Tiwari**

Company Secretary & Compliance Officer  
upto 30<sup>th</sup> December, 2023

**Ms. Mauli Rushil Mehta**

Company Secretary & Compliance Officer  
w.e.f. 6<sup>th</sup> March, 2024

## BANKERS

HDFC Bank Limited

The Hongkong and Shanghai Banking Corporation Limited

## AUDITORS

M/s. CNK & Associates LLP,

Chartered Accountants,

The Nirat, 3<sup>rd</sup> Floor, 18-Windward Business Park,

Behind Emerald One Complex,

Jetalpur Road,

Vadodara - 390 007, Gujarat.

## REGISTERED OFFICE

Near Muval Sub Station,

Padra Jambusar Highway, Gavasad,

Vadodara, Gujarat, India - 391430.

Ph: +91 7624090901/2

E-mail ID: [info@shilchar.com](mailto:info@shilchar.com)

Website: [www.shilchar.com](http://www.shilchar.com)

CIN: L29308GJ1986PLC008387

## REGISTER & TRANSFER AGENT

### MCS Share Transfer Agent Limited

1<sup>st</sup> Floor, Neelam Apartment,

88, Sampatrao Colony,

Above Chappanbhog Sweet,

Alkapuri, Vadodara - 390 007, Gujarat.

Phone: +91 265 2314757/2350490

E-mail ID: [mcsltdbaroda@gmail.com](mailto:mcsltdbaroda@gmail.com)

# Notice

NOTICE is hereby given that the 38<sup>th</sup> Annual General Meeting ("AGM") of the members of **Shilchar Technologies Limited** will be held on Monday, the 12<sup>th</sup> August, 2024 at 11:00 a.m. (IST) through Video Conference ("VC")/Other Audio-Visual Means ("OAVM") to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company situated at Near Muval Sub Station, Padra Jambusar Highway, Gavasad, Vadodara, Gujarat, India - 391430.

## ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2024 including the Balance Sheet as at 31<sup>st</sup> March, 2024 and the Statement of Profit and Loss and Cash Flow for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.

**"RESOLVED THAT** the Audited Financial Statement of the Company, the Boards Report and the Auditors' Report thereon for the financial year ended on 31<sup>st</sup> March, 2024 be and are hereby received, approved and adopted."

2. To declare a Dividend on equity shares of the Company for the financial year ended 31<sup>st</sup> March, 2024.

**"RESOLVED THAT** the Dividend at the rate of ₹ 12.5/- per Equity Share on 76,26,800 Equity Shares of ₹ 10/- each as recommended by the Board of Directors be and is hereby approved."

3. To appoint a Director in place of Mr. Alay Jitendra Shah (DIN 00263538), who retires by rotation and being eligible, offers himself for re-appointment.

**"RESOLVED THAT** Mr. Alay Jitendra Shah (DIN: 00263538), a Director of the Company who retires by rotation at this Meeting being eligible for re-appointment, be and is hereby re-appointed as Director of the Company whose period of Office shall be liable to determination by retirement of Director by rotation."

## SPECIAL BUSINESS:

4. Remuneration to the Cost Auditors for the financial year 2024-25:

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

**"RESOLVED THAT** pursuant to provision of Section 148(3) of the Companies Act, 2013 read with Rule 4 of Companies (Audit & Auditors) Rules, 2014 and upon recommendation Audit committee and as proposed by the Board, consent of the Company be and is hereby accorded to pay remuneration of ₹ 25,000/- excluding out of pocket expenses plus applicable GST to Cost Auditors of the Company M/s. K H Shah & Co, Cost Accountants, Vadodara for the F.Y. 2024-2025.

**RESOLVED FURTHER** that the Board of Directors and/or its delegated authority be and is hereby authorized to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to the above resolution."

5. Approval for Increase in Remuneration of Mr. Aatman Alay Shah, Manager (Operations) and Holding an office or place of Profit in the Company:

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

**"RESOLVED THAT** pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with Companies (Meeting of Board and Its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), as per the recommendation and approval of the nomination and remuneration committee and audit committee in the meeting held on 30<sup>th</sup> April, 2024, the consent of the members be and is hereby accorded to the revised terms of appointment of Mr. Aatman Alay Shah holding office or place of profit, as Manager (Operations) of the Company as detailed in the Explanatory Statement attached hereto subject to the maximum remuneration not exceeding ₹10 Lakhs per month with effect from 12<sup>th</sup> August, 2024.

**RESOLVED FURTHER THAT** the Board of Directors has the liberty to alter and vary such remuneration in accordance with the provisions of the Companies Act, 2013, to effect change in designation and responsibilities of the persons holding office or place of profit within the maximum limit approved by the shareholders.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do, all such acts, matters, deeds and things, settle any queries/difficulties/doubts arise from it, as may be considered necessary, proper or expedient to give effect to this resolution and for matters connected herewith or incidental there to in the best interest of the Company."

6. Approval of Remuneration limit of Mr. Aashay Alay Shah, Whole-Time Director (DIN: 06886870) of the Company:

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

**"RESOLVED THAT** subject to the provisions of Sections 2(54), 196, 197, 198, 201 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and the Rules made there under (including any statutory modification or re-enactment thereof) and on recommendation of Nomination and Remuneration Committee and as agreed by the Board of Directors, consent of the Company be and is hereby accorded for payment of remuneration up to ₹ 12 Lakhs per month to Mr. Aashay Alay Shah, Whole-Time Director (DIN: 06886870) of the Company with

effect from 1<sup>st</sup> November, 2024 to 31<sup>st</sup> October, 2027, for a period for 3 years, provided in Section 197 and Section II(A) of Part II of Schedule V to the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to increase, alter and/or vary the remuneration and perquisites including the monetary value thereof as may be permitted or authorized in accordance with the provisions of the Companies

Act, 2013, for the time being in force, provided, however, that the remuneration payable to Mr. Aashay Alay Shah, Whole-Time Director (DIN: 06886870) shall be within the limits as prescribed in Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

By order of the Board of Directors  
For **Shilchar Technologies Limited**

**Mauli Rushil Mehta**  
Company Secretary

**Place:** Gavasd, District Vadodara  
**Date:** 30<sup>th</sup> April, 2024

## Notes:

1. The Register of members and Share Transfer Books of the Company will remain closed from 3<sup>rd</sup> August, 2024 to 12<sup>th</sup> August, 2024 (both days inclusive) for annual closing and determining the entitlement of shareholders to the final dividend for FY 2023-24.
2. The Company has fixed Friday, 2<sup>nd</sup> August, 2024 as Cut-off date (Record Date) for determining entitlement for remote e-Voting as well as e-Voting of shareholders holding shares in physical or dematerialized form.
3. The Explanatory statement pursuant to Section 102 of the Companies Act, 2013, which sets out the details relating to the special business at the meeting, is annexed hereto.
4. The Ministry of Corporate Affairs ("MCA") has vide its Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, Circular No.17/2020 dated 13<sup>th</sup> April, 2020 and Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, Circular No. 2/2022 dated 5<sup>th</sup> May, 2022, Circular no. 10 dated 28<sup>th</sup> December, 2022, Circular No. 9/2023 dated 25<sup>th</sup> September, 2023 (collectively referred to as "MCA Circulars") and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021, SEBI/HO/CFD/CMR2/CIR/P/2022/62 vide dated 13<sup>th</sup> May, 2022, and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5<sup>th</sup> January, 2023 (collectively referred to as "SEBI Circulars") permitted the holding of the AGM through video conferencing (VC) or other audio visual means (OAVM) without the physical presence of the members at a common venue. Accordingly, in line with the above Circulars, the AGM of the Company will be held through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with said Circulars. The Registered office of the Company shall be deemed to be venue the AGM.
5. Since this AGM is being held through VC/OAVM, pursuant to MCA Circulars and SEBI Circulars, physical attendance of the members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and Proxy Form, Attendance slip and Route Map are not annexed to this Notice.
6. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website [www.shilchar.com](http://www.shilchar.com), website of Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of Central Depository Services Limited at [www.cdslindia.com](http://www.cdslindia.com).
7. 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.
8. SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November, 2021 read with SEBI Circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/C/2021/687 dated 14<sup>th</sup> December, 2021 ("Circulars"), requires listed companies to record and register the KYC details of all incomplete folio (including joint holders) i.e. PAN, contact details (postal address, Mobile Number & E-mail), Nomination and Bank Account details of first holder and in order to comply with the this Circulars, the Company has sent individual communications to the physical shareholders whose KYC details are pending to be updated and the members are requested to please update/complete the above details at earliest.
9. As per SEBI Notification No. SEBI/LAD-NRO/GN/2022/66 dated 24<sup>th</sup> January, 2022, amending Regulation 40 of the SEBI Listing Regulations, 2015, transfer, transmission or transposition of securities can only be done in dematerialized form with effect from 24<sup>th</sup> January, 2022.
10. In accordance with SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 all the listed companies are required to issue the securities in dematerialized form only while processing any service request of the investor holding shares in physical. In pursuance thereof, Company shall verify and process the service requests received from the investors and upon verifying the documents submitted therefore, a 'Letter of confirmation' shall be issued to the claimant/securities holder to get the shares in demat form instead of sending physical share certificate(s). In case the security holder/claimant fails to submit demat request along with such 'Letter of confirmation' within 120 days from the date thereof, such shares shall be credited to the "Suspense Escrow Demat Account" of the Company. The concerned shareholder can claim his/her shares back from such account by placing service request.
11. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
12. Process for those shareholders whose email ids are not registered:
  - a) **For Physical shareholders:** please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
  - b) **For Demat shareholders:** please provide Demat account details (CDSL-16-digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA email id.
13. With effect from 1<sup>st</sup> April, 2014, inter-alia, provisions of Section 149 of Companies Act, 2013, has been brought into force. In terms of the said Section read with Section 152(6) of the Act, the provisions of retirement by rotation are not applicable to Independent Directors.



Accordingly, Mr. Alay Jitendra Shah (DIN: 00263538), Director will retire at the ensuing annual general meeting and being eligible offers himself for re-appointment.

14. In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 of the General Meetings, particulars of director seeking appointment/re-appointment at the ensuing annual general meeting is given in annexure to this notice.
15. Statement as required under Section 102 of the Companies Act, 2013 and SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.
16. Subject to the provisions of Section 126 of the Companies Act, 2013, dividend as recommended by the Directors for the year ended 31<sup>st</sup> March, 2024, if declared, will be payable to those Members, whose names appear in the Register of Members as at the close of business on 2<sup>nd</sup> August, 2024 and in respect of shares held in dematerialized form, as per the list of beneficial owners furnished to the Company by NSDL/CDSL, as at the close of business on 3<sup>rd</sup> August, 2024 The dividend warrants will be posted on or about 30<sup>th</sup> August, 2024.
  - 16.1.1 In respect of shares held in electronic/demat form, beneficial owners are requested to notify any change in their address, bank account, mandate, etc. to their respective Depository Participant.
  - 16.1.2 Members holding shares in physical form are requested to notify any change in their address, bank account, etc. to the Company or to the Registrar and Transfer Agent.
  - 16.1.3 With a view to prevent fraudulent encashment of dividend warrants, Members holding shares in physical form are advised to furnish particulars of their bank account together with their 9-digit MICR code number for recording the same.

Pursuant to the provisions of Section 123 to 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 (the Rules), dividend for the financial year ended 31<sup>st</sup> March, 2017 and thereafter, which remain unclaimed for a period of 7 years from the date of transfer of the same as referred to Section 124 of the Companies Act, 2013, will be transferred to the Investor Education and Protection Fund of the Central Government established under Section 125 of the Companies Act, 2013 in month of September 2024. Members who have not yet encased their warrant(s) are requested to make their claims to the Company without any delay. Pursuant to the provisions of the Investor Education and Protection Fund (Uploading of Information regarding Unpaid and Unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31<sup>st</sup> March, 2024, on the website of the Company ([www.shilchar.com](http://www.shilchar.com)) as also on the website of the IEPF viz. ([www.iepf.gov.in](http://www.iepf.gov.in)).

Further, pursuant to the provisions of Section 124(5) and Section 124(6) of the Act, read with the IEPF Authority

(Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") and amendments thereto, all shares, on which dividend has not been paid or claimed for seven consecutive years or more, shall be transferred to the demat account of the IEPF authority.

Details of shares transferred to IEPF Authority are available on the website of the Company which can be accessed through the following link: <https://shilchar.com/power/investors-desk>.

The Members/claimants whose shares, unclaimed dividend have been transferred to the Fund may claim the shares/dividend or apply for refund by making an application to IEPF Authority in Web Form IEPF 5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)).

17. Members are requested to note that SEBI vide circular dated 16<sup>th</sup> March, 2023 has mandated that Members holding shares in physical mode are required to update the following with the Company/RTA:
  - PAN;
  - KYC details containing address, mobile number, e-mail address, bank account details;
  - Nomination details.

Members holding shares in physical mode, who have not registered their above particulars, are requested to register the same with the Company/RTA at the earliest. Any clarifications in this regard may be [addressed](mailto:mcslttdbaroda@gmail.com) to the RTA at [mcslttdbaroda@gmail.com](mailto:mcslttdbaroda@gmail.com).

18. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic/demat form, the nomination form may be filed with their respective Depository Participant.

Members are requested to intimate the Company of queries, if any, regarding these accounts/notice at least ten days before the Annual General Meeting to enable the Management to keep the information ready at the meeting.

Members are requested to note that in case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of photocopy of PAN Card of transferee(s), surviving holder(s), legal heirs(s) and joint holder(s) respectively, along with necessary document at the time of lodgment of request for transfer/transmission/transposition, is mandatory.

All documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the registered office of the Company during normal business hours (9.30 a.m. to 5.00 p.m.) on all working days except Sundays, upto and including the date of Annual General Meeting of the Company.

**19. INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS AND ATTENDING MEETING THROUGH VC/OAVM:**

- a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-Voting and e-Voting during the meeting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-Voting as well as the e-Voting system on the date of the AGM will be provided by CDSL. Instructions for shareholders for Remote e-Voting and joining meeting through VC/OAVM are provided herein below at point no. **(A)**. Instructions for shareholders attending the AGM through VC/OAVM & e-Voting during the meeting provided at point no. **(B)**. Process for those shareholders whose email/mobile no. are not registered with the Company/RTA/Depositories are given at point no. **(C)**.
- b. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- c. The Members who have cast their vote by remote e-Voting prior to the AGM may also attend the meeting through VC or OAVM but shall not be entitled to cast their vote again. Once the vote on a resolution is cast by the members, the members shall not be allowed to change it subsequently.
- d. The Company has appointed Mr. Kashyap Shah, Practicing Company Secretary, Vadodara, as the Scrutinizer for conducting the remote e-Voting and e-Voting process on the date of AGM in a fair and transparent manner.
- e. The voting results shall be declared on receipt of Scrutinizer's Report. The e-Voting results along with the scrutinizer's report shall be placed on the Company's website [www.shilchar.com](http://www.shilchar.com) and on the website of CDSL within two working days of the conclusion of the AGM of the Company. The results

will also be communicated to BSE Limited where the shares of the Company are listed.

**(A) THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

- (i) The voting period begins on Friday, 9<sup>th</sup> August, 2024 at (IST 10.00 a.m.) and ends on Sunday, 11<sup>th</sup> August, 2024 at (IST 5.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 2<sup>nd</sup> August, 2024, (closure of business hours) may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.
- (ii) Login Method for e-Voting and joining virtual meeting for individual shareholders holding shares in demat mode:

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 Individual shareholders holding securities in demat mode are allowed to vote electronically by way of single login credential without having to register again with the e-Voting service providers (ESPs), through their demat accounts/websites of Depositories/Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

- **Individual Shareholders holding securities in Demat mode with CDSL:**
  1. Users of who have opted for CDSL's Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi/Easiest are <https://web.cdslindia.com/myeasi/home/login> or [www.cdslindia.com](http://www.cdslindia.com) and click on Login icon and select new System Myeasi.
  2. After successful login the Easi/Easiest user will be able to see the e-Voting Menu. On clicking the e-Voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL as per information provided by Issuer/Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.
  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](http://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 where the e-Voting is in progress during or before the AGM.
- **Individual Shareholders holding securities in demat mode with NSDL:**
    1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <https://eservices.nsdl.com> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' Section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
    2. If the user is 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>.
  - **Individual Shareholders (holding securities in demat mode) login through their Depository Participants:**

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at above mentioned website.
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/either> on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' Section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

- (iii) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders:
  1. The shareholders should log on to the e-Voting website [www.evotingindia.com](http://www.evotingindia.com).
  2. Click on "Shareholders" module.

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

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

7. After entering these details appropriately, click on "SUBMIT" tab.
8. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For Members holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
10. Click on the EVSN for the relevant <SHILCHAR TECHNOLOGIES LIMITED> on which you choose to vote.
11. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
13. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
16. If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. Shareholders can also use Mobile app - "m-Voting" for e-Voting. m-Voting app is available on IOS, Android & Windows based Mobile. Shareholders may log in to m-Voting using their e-Voting credentials to vote for the Company resolution(s).

**Note for Non-Individual Shareholders and Custodians**

- a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as "Corporates" module.
- b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- c) After receiving the login details, User would be able to link the account (s) for which they wish to vote on.
- d) The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-Voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-Voting.
3. Shareholders are encouraged to join the meeting through Laptop for better experience. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least (10) ten days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@shilchar.com](mailto:cs@shilchar.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries 10 days in advance prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@shilchar.com](mailto:cs@shilchar.com). The queries will be replied suitably by the Company.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
8. If any Votes are cast by the shareholders through the e-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.

**(C) PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/RTA/DEPOSITORIES:**

1. **For Physical shareholders:** Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to RTA.
2. **For Demat shareholders:** Please update your email id & mobile no. with your respective Depository Participant (DP).

If you have any queries or issues regarding attending AGM & e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533, 022-23058542/43.

**GENERAL:**

- (a) If you are already registered with CDSL for e-Voting then you can use your existing user ID and password for casting your vote.
- (b) Once the vote on a resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- (c) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 2<sup>nd</sup> August, 2024.

- (d) The scrutinizer shall within a period of not exceeding two working days from the conclusion of the e-Voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (e) Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013 & REGULATION 36(5) OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

### **Item No. 4**

As per the Cost Audit Rule 3A (IV) which are notified by the Ministry of Corporate Affairs on 30<sup>th</sup> June, 2014, the same is applicable to the Company and accordingly the Company is required to keep the Cost Records on or after the 1<sup>st</sup> day of April 2014, and shall in compliance with the same within one hundred and eighty days of the commencement of every financial year to appoint a cost auditor with the approval of the shareholders.

As per the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, the proposal of Appointment of Cost Auditors was placed before the Audit Committee and as recommended by Audit Committee along with the remuneration of Cost Auditors, the Board in its meeting held on 30<sup>th</sup> April, 2024 considered and approval the said proposal to appoint M/s. K H Shah & Co., as Cost Auditors of the Company for the F.Y. 2024-25 at the remuneration of ₹ 25,000/- excluding out of pocket expenses plus applicable service tax. Now, the resolution is being placed before the Members of the Company for the approval and ratification of the remuneration to the Cost Auditors.

The Board of Directors recommends the resolution set forth at Item No. 4 of this notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof has any concern or interest, financial or otherwise, in the resolution at Item No. 4 of this Notice.

### **Item No. 5**

The provisions of Section 188(1) of the Companies Act, 2013 Act that govern the Related Party Transactions require a Company to obtain prior approval of the Board of Directors and in certain cases approval of the shareholders is also required.

Mr. Aatman Alay Shah, was appointed as Operations Manager of the Company w.e.f. 1<sup>st</sup> November, 2016 in the Company. He is the son of Mr. Alay Jitendra Shah, Managing Director of the Company. In view of the same, the position/office held by Mr. Aatman Alay Shah in the Company falls within the preview of Section 188(1)(f) and remuneration in excess of ₹ 2,50,000/- (Rupees Two Lakhs Fifty Thousand only) per month, requires shareholders' approval. Section 188(1)(f) of the Companies Act, 2013 provides for the related party's appointment to any office or place of profit. Mr. Aatman Alay Shah has vast experience of more than one decade in

development of transformers industry. The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee at their meeting held on 30<sup>th</sup> April, 2024 had recommended a ceiling on remuneration of ₹ 10,00,0000/- (Rupees Ten Lakhs only) per month, payable to Mr. Aatman Alay Shah w.e.f 12<sup>th</sup> August, 2024, subject to approval of the Shareholders by way of an Ordinary Resolution.

The copy of the draft Appointment as referred to in the resolution will be available for inspection by the members at the Registered Office of the Company on all working days between 10.00 a.m. and 1.00 p.m. except Saturdays and holidays.

Except Mr. Alay Jitendra Shah, Managing Director and Mr. Aashay Alay Shah, Whole-Time Director of the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives, is in any way, concerned or interested in the said resolutions.

The Board of Directors of the Company, therefore, recommends passing of the resolution as set out in Item No. 5 of the Notice above by way of Ordinary Resolution.

### **Item No. 6**

The members at 36<sup>th</sup> Annual General Meeting held on 8<sup>th</sup> August, 2022 made appointment of Shri Aashay Alay Shah as Whole-Time Director of the Company from 1<sup>st</sup> November, 2021 to 31<sup>st</sup> October, 2026. The members of the Company had also approved the said appointment and payment of terms of remuneration of ₹ 5 Lakhs per month to Shri Aashay Alay Shah in their Annual General Meeting held on 8<sup>th</sup> August, 2022.

Shri Aashay Alay Shah is son of Mr. Alay Shah, the Whole-Time Director of the Company. He has been associated with the Company since long time. He is a Master's in Business Administration from Cass Business School, London, UK and Bachelor of Science in Electrical Engineering with specialization in electronics and possesses more than 8 years of experience in the various areas of business including production, finance, marketing and administration. In view of his excellent leadership and contribution to the growth and performance of the Company, the Nomination and Remuneration Committee and the Board of Directors at their respective Meetings held on 30<sup>th</sup> April, 2024 approved revision of remuneration payable up to ₹ 12 Lakhs per month to Shri Aashay Alay Shah, Whole-Time Director for further period of three years from 1<sup>st</sup> November, 2024 to 31<sup>st</sup> October, 2027. There is no change in other terms of appointment of Shri Aashay Alay Shah.

The terms of increase of remuneration of Shri Aashay Alay Shah, Whole-Time Director are as under.

In terms of provisions contained in Section II of Part II(A) of Schedule V of the Companies Act, 2013, the relevant details regarding the performance of the Company and of the respective appointees is furnished hereunder.

#### General Information:

1) Nature of Industry	Manufacturing of "Distribution and Power Transformers" as well as "Electronics and Telecommunication Transformers".
2) Date of Commencement of Commercial Production	1988 for E & T Transformers & 2005 for D & P Transformers.
3) Financial Performance for the Financial Year ended 31 <sup>st</sup> March, 2024	<b>Turnover:</b> ₹ 40,971.16 Lakhs <b>Net Profit:</b> ₹ 9,188.81 Lakhs <b>Debt Equity Ratio:</b> Not Applicable <b>Current Ratio:</b> 3.06 <b>Net worth:</b> ₹ 20,958.83 Lakhs
4) Export Performance	₹ 19,864.22 Lakhs
5) Foreign Investment or Collaboration	NIL

#### Information about the Appointees:

Shri Aashay Alay Shah has been associated with the Company since long time. He is a Master's in Business Administration from Cass Business School, London, UK and Bachelor of Science in Electrical Engineering with specialization in electronics and possesses more than 8 years of experience in the various areas of business including production, finance, marketing and administration.

#### Reorganization of Awards:

The Company has been authorized by the Bureau of Energy Efficiency (BEE) for using three (4) Star Rating labels on its Distribution Transformers with the capacity of 25KVA/63KVA/100KVA and 200KVA, respectively.

The Company is also holding ISO 9001: 2000 Certificate since September 2004 for quality systems in relation to its factory located at Near Muval Sub Station, Padra Jambusar Highway, Gavasad, Vadodara, Gujarat, India - 391430.

#### Job Profile and Suitability:

Shri Aashay Alay Shah, Whole-Time Director is responsible for the day to day management of the Company. He is actively involved in various areas of business including production, finance, marketing and administration. He is working under the Superintendence and control of the Board of Directors.

#### Remuneration Proposed:

Shri Aashay Alay Shah, Whole-Time Director, shall be paid consolidated remuneration by way of Salary, perquisites and Allowance up to ₹ 12 Lakhs per month in addition to the allowable perquisites and allowances.

#### Sitting Fees:

As long as Shri Aashay Alay Shah functions as Whole-Time Director, he will not be paid any sitting fees for attending the meetings of the Board of Directors or any committee(s) thereof.

#### Re-imbursalment of Expenses, Costs etc.:

Shri Aashay Alay Shah shall be entitled to be paid/reimbursed all costs, charges and expenses as may be incurred by him for the purpose of or on behalf of the Company.

#### Comparative Remuneration, Profile with respect of Industry:

The proposed remuneration to the above appointees is in commensurate to the size of units in the industry.

#### Pecuniary Relationship:

Shri Aashay Alay Shah being a promoter director and holding 10.34% equity shares in the Company is concerned or interested as managerial person.

The copy of the draft Agreement as referred to in the resolution will be available for inspection by the members at the Registered Office of the Company on all working days between 10.00 a.m. and 1.00 p.m. except Saturdays and holidays.

The Board of Directors feels that aforesaid revision of terms of remuneration of Mr. Aashay Alay Shah as Whole-Time Director is in the interest of the Company and therefore, recommends the resolution set out at item No. 6 of this notice as a Special Resolution.

Except Shri Alay Shah and Mr. Aashay Alay Shah no other Director or Key Managerial Personnel or their respective relatives are in any way, concerned or interested, financial or otherwise, in the resolution set out at Item No. 6 of the Notice.

By order of the Board of Directors  
For **Shilchar Technologies Limited**

**Mauli Rushil Mehta**  
Company Secretary

**Place:** Gavasd, District Vadodara  
**Date:** 30<sup>th</sup> April, 2024

# Annexure to Notice of 38<sup>th</sup> Annual General Meeting

## Details of Directors seeking appointment/re-appointment at the 38<sup>th</sup> Annual General Meeting

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 of the General Meeting]

Name of Director	Mr. Alay Jitendra Shah	Mr. Aashay Alay Shah
DIN	00263538	06886870
Designation	Managing Director (Executive Director)	Whole-Time Director (Executive Director)
Date of Birth	04/07/1966	06/08/1991
Date of Appointment	08/08/2022	01/11/2021
Terms and conditions of appointment/ re-appointment	Director liable to retire by rotation	Director liable to retire by rotation
Qualifications	BS (Electronics Engineering Technology)	Bachelor of Science in Electrical Engineering from University of Illinois, Urbana-Champaign, USA and Masters in Business Administration from Cass Business School, London, UK
Expertise in Specific Functional Area	Productions, Finance, Marketing & Administration	Marketing, Production, Procurement and Design Department
No. of Equity Shares held in the Company	19,51,032	7,88,764
Remuneration last drawn	₹ 762.84 Lakhs Yearly (Including Commission)	₹ 49.94 Lakhs Yearly
Directors in other companies	AJSHAH ENTERPRISE PRIVATE LIMITED	AJSHAH ENTERPRISE PRIVATE LIMITED
Membership of committees in other public limited companies	NIL	NIL
No. of Board meetings attended during the financial year 2023-24	4	4
Inter relationship	Mr. Aashay Alay Shah is the son of Mr. Alay Jitendra Shah	Mr. Aashay Alay Shah is the son of Mr. Alay Jitendra Shah



# Board's Report

Your Directors have pleasure in presenting the 38<sup>th</sup> Annual Report on the business and operations of the Company and the Audited Accounts for the Financial Year ended 31<sup>st</sup> March, 2024.

## 1. FINANCIAL RESULTS

	(₹ in Lakhs)	
	2023-24	2022-23
Revenue from Operations	39,687.82	28,024.12
Other Income	1,283.34	808.12
<b>Total Revenue</b>	<b>40,971.16</b>	<b>28,832.24</b>
<b>Less: Expenses before Interest and Depreciation</b>	<b>28,357.88</b>	<b>23,316.52</b>
<b>Less: (a) Interest</b>	<b>20.97</b>	<b>59.96</b>
(b) Depreciation	259.84	240.36
<b>Profit/(Loss) Before Tax</b>	<b>12,332.47</b>	<b>5,816.04</b>
<b>Less: Tax Expenses</b>		
Current Tax	3,131.16	1,489.92
Deferred Tax	11.60	10.74
Short/(Excess) provision of earlier year	0.90	3.14
<b>Profit after Tax</b>	<b>9,188.81</b>	<b>4,312.24</b>

### Transfer To Reserves

No amount is transferred to the reserves by the Company.

## 2. DIVIDEND

Your Directors have recommended a dividend of ₹ 12.50 per share (i.e. 125%) on Company's paid up equity share capital comprising of 7,626,800 equity shares of ₹ 10/- each. Thus, the total dividend outgo for the current fiscal will amount to ₹ 9,53,35,000/-.

## 3. OPERATIONAL HIGHLIGHTS AND PROSPECTS/STATEMENT OF AFFAIRS

The Company earned operational income of ₹ 39,687.82 Lakhs compared to ₹ 28,024.12 Lakhs for the previous year. The other income is ₹ 1,283.34 Lakhs compared to ₹ 808.12 Lakhs in the previous year.

The total revenue for the year is ₹ 40,971.16 Lakhs against ₹ 28,832.24 Lakhs in the previous year. Profit after tax is ₹ 12,332.47 Lakhs as compared to previous year figure of ₹ 5,816.04 Lakhs.

The Company has concentrated on catering needs of renewable energy sector including solar and wind energy in local market where in the Company has been enjoying commendable position being one of the top companies in India supplying transformers for renewable energy.

There is no change in nature of business of the Company during the financial year. The Company has prepared the Financial Statements for the Financial Year 2023-2024 in accordance with Indian Accounting Standards (Ind AS).

Moreover, During the year Registered Office of the Company was shifted from Bil Road, Bil - 391 410, Dist. Vadodara, India to Block No 460, Near Muval sub station, Padra Jambusar highway, Gavasd, Vadodara, Gujarat, 391430.

The Company has already started Phase-1 expansion and it is expected to be operational from July 2024. It will enable enhancement of the capacity from 4000 MVA to 5500 MVA. The office building which is under construction is expected to be completed by July 2024. The Company has already started working on the Phase-2 expansion which will increase our capacity from 5500 MVA to 7500 MVA.

### Insurance

All the properties of the Company including buildings, plant & machinery and stocks have been insured.

## 4. ACCREDITATION

Your Company has taken BIS approval for many ratings of transformers during the year. The Company has also received ISO 9001:2015 Certificate for its new plant during year 2018-19.

## 5. CREDIT FACILITIES

Company has availed working capital facilities from HDFC Bank Limited & The Hong Kong and Shanghai Banking Corporation Limited. During the year under review, the Company was comfortable in meeting its financial requirements. Effective financial measures have been continued to reduce cost of interest and bank charges.

## 6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 125 of the Companies Act, 2013, any unclaimed or unpaid Dividend relating to the financial year ended on 31<sup>st</sup> March, 2017 was due for remittance on or before 27<sup>th</sup> July, 2024 to the Investor Education and Protection

Fund established by the Central Government. Pursuant to the provisions of Section 125 of the Companies Act, 2013, every year the Company transfers shares to IEPF Account of Central Government for which dividend has remained unclaimed/unpaid for consecutive 7 years.

During the financial year 2023-24, the Company transferred unclaimed dividend amount of ₹ 17,681.50 with IEPF Account of Central Government on 19<sup>th</sup> September, 2023. Further, the Company transferred Equity Shares with IEPF Account effective from 3<sup>rd</sup> April, 2023, for which dividend/interim dividend were unclaimed for seven consecutive years. The amount of Unpaid/Unclaimed Dividend Account 2016-2017 ₹ 1,66,314/- and it will be transferred to Investor Education and Protection Fund by 29<sup>th</sup> July, 2024.

## 7. SHARE CAPITAL

At the Annual General Meeting of the Company held on 25<sup>th</sup> August, 2023, The authorized share capital was increased from ₹ 5,00,00,000/- (Rupees Five Crores) divided into 50,00,000 (Fifty Lakhs) Equity Shares of ₹ 10/- (Rupees Ten) to ₹ 10,00,00,000/- (Rupees Ten Crores) divided into 1,00,00,000/- (One Crores) Equity Shares of ₹ 10/- (Rupees Ten) each by creation of 50,00,000 (Fifty Lakhs) Equity Shares of ₹ 10/- (Rupees Ten) each ranking pari passu with the existing Equity Shares of the Company. During the year under review, the Company has issued 38,13,400 bonus equity share in the ratio 1:1 to the existing equity shareholders of the Company. The paid-up Equity Share Capital as on 31<sup>st</sup> March, 2024 was ₹ 7,62,68,000/-, divided into 76,26,800 Equity Shares of ₹ 10/- each.

## 8. MATERIAL CHANGES AND COMMITMENT OCCURRED AFTER THE END OF FINANCIAL YEAR AND UP TO THE DATE OF REPORT

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate and the date of this report.

## 9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure-I** and is attached to this report.

## 10. RISK MANAGEMENT

The Company has framed a sound Risk Management Policy to identify and evaluate business risks and opportunities and the same has become integral part of Company's day to day operations. The key business risks identified by the Company are as follows viz. Industry Risk, Management and Operations Risk, Market Risk, Government Policy risk, Liquidity risk, and Systems risk. The Company has in place adequate mitigation plans for the aforesaid risks.

## 11. CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility, the Company has laid down CSR Policy. The composition of CSR committee, contents of CSR Policy and Report on CSR activities carried out during the year 2023-24 is as per **Annexure-II** attached with this Report. The Policy has been uploaded on the Company's website and can be accessed at the web <https://www.shilchar.com/under> investors/policy documents.

## 12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the furnishing above information is not applicable. Particulars of Investments are mentioned in Note no. 8 of the Financial Statements.

## 13. RELATED PARTY TRANSACTIONS

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. 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. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as **Annexure-III**.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules thereunder and the Listing Regulations. This Policy was considered and approved by the Board has been uploaded on the website of the Company at <https://www.shilchar.com/under> investors/policy documents/ Related Party Policy link.

## 14. DIRECTORS & KMP

During the year, Board of Director appointed Mr. Rakesh Dhanraj Bansal (DIN: 00002179) as Additional Non-Executive Independent Director of the Company vide Board Meeting held on 5<sup>th</sup> February, 2024, further shareholder of the Company approved the appoint of Mr. Rakesh Dhanraj Bansal (DIN: 00002179) as Non-Executive Independent Director of the Company by passing Special Resolution through Postal Ballot on 17<sup>th</sup> March, 2024. Moreover, Ms. Niki Tiwari, resigned as Company Secretary and Compliance officer of the Company with effect from 30<sup>th</sup> December, 2023 and Ms. Mauli Rushil Mehta was appointed as Company Secretary and Compliance Officer of the Company with effect from 6<sup>th</sup> March, 2024. The Company is taken approval of shareholder by way of Special Resolution thought Postal Ballot on 17<sup>th</sup> March, 2024 for continuation of Mr. Mukesh Dahyabhai Patel (DIN: 00009605) as Non-Executive Independent Director of the Company on attending the aged of seventy five years.

Further, second term of Mr. Mukesh Dahyabhai Patel (DIN: 00009605) as Non-Executive Independent Director of the Company was completed on 31<sup>st</sup> March, 2024. The Board places on record its sincere appreciation for the invaluable contribution and expert guidance by Mr. Mukesh Patel to the Company during his tenure as an Independent Director.

#### 14.1 Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

#### 14.2 Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Independent Directors, Senior Management and their remuneration. The Remuneration Policy is enclosed as **Annexure-IV**.

#### 14.3 Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The required particulars of various Committees are stated in the Corporate Governance Report, attached herewith.

#### 14.4 Declaration of Independent Directors

The Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013, Listing Regulations and the relevant rules. The Independent Directors confirm that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and that he/she is independent of the management.

#### Policies

During the year under review, the Board of Directors of the Company has adopted/approved changes policies in compliance with the recent amendments in the Act and SEBI Listing Regulations.

#### 14.5 Whistle Blower Policy

The Whistle Blower Policy (Vigil Mechanism) was constituted by the Board of Directors, pursuant to Section 177 of the Companies Act, 2013 and the Rules made thereunder to report genuine concerns of Directors and Employees. The Policy has

been uploaded on the Company's website and can be accessed at the web [https://www.shilchar.com/under\\_investors/policy\\_documents/Whistle\\_Blower\\_Policy](https://www.shilchar.com/under_investors/policy_documents/Whistle_Blower_Policy).

### 15. AUDIT COMMITTEE AND VIGIL MECHANISM

The composition and other particulars of Audit Committee are provided in the Corporate Governance Report, attached herewith.

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.shilchar.com/under\\_investors/policy\\_documents/Vigil\\_Mechanism\\_Policy\\_link](https://www.shilchar.com/under_investors/policy_documents/Vigil_Mechanism_Policy_link).

### 16. COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standard 1(SS-1) relating to the meetings of the Board of Directors and Secretarial Standard 2 (SS-2) relating to the General meetings issued by the Institute of Company Secretarial of India and approved by the Central Government.

### 17. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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;
- (c) Financial year and of the profit and loss of the Company for that period;
- (d) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (e) The directors had prepared the annual accounts on a going concern basis;
- (f) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (g) 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.

## 18. ANNUAL RETURN

The Annual Return will be placed at the website of the Company at Investors Desk in Annual Reports option on <https://shilchar.com/power/investors-desk> Annual Return.

## 19. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

## 20. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review. No Unsecured loan availed from Directors during the year.

## 21. AUDITORS

### 21.1 Statutory Auditors

The Company's Auditors M/s. CNK & Associates LLP, Chartered Accountants, Vadodara have been re-appointed as Auditors of the Company to hold the office from the conclusion of 36<sup>th</sup> Annual General Meeting until conclusion of 41<sup>st</sup> Annual General Meeting. As required under Listing Regulations, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

### 21.2 Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Bhautik Kanasagara., a Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as **Annexure-V**.

### 21.3 Cost Auditors

Pursuant to provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, the Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. K.H. SHAH & Co., Cost Accountants as the Cost Auditors and remuneration payable to them, to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2024. The Company has received a letter from M/s. K.H. SHAH & Co., Cost Accountant, Vadodara showing their willingness to be appointed as a cost Auditors stating that they are not disqualified under Section 148(2) read with Section 141(3) of the Companies Act, 2013.

### 21.4 INTERNAL AUDITORS

M/s. Sharp & Tannan Associates, Chartered Accountants (FRN: 109983W), Vadodara has been appointed as Internal Auditors of the Company from the financial year 2023-2024 onwards. The reports of the Internal Auditors are being reviewed by the audit committee from time to time.

## 22. OBSERVATION OF AUDITORS

There are no material qualifications, reservations or adverse remarks made by the Auditors. Observations of auditors are self-explanatory and do not call for further information. The auditors have not reported any frauds under sub-section 12 of Section 143.

## 23. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate system of internal control/Internal Finance Control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the Company checks and verifies the internal control and monitors them in accordance with policy adopted by the Company.

The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

## 24. SHARES

### a. Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

### b. Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

### c. Bonus Shares

During the year the Company has issued 38,13,400 bonus equity share in the ratio 1:1 to the existing equity shareholders of the Company.

### d. Employees Stock Option Plan

The Company has not provided any Stock Option Scheme to the employees.

## 25. CORPORATE GOVERNANCE

As per Regulation 34(3) and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate Section on Corporate Governance on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

## 26. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report is appended as **Annexure-VI** to this Report.

## 27. PARTICULARS OF EMPLOYEES

The information required under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as below:

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2023-2024, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-2024 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	% increase/decrease (-) in Remuneration in the Financial Year 2023-2024	Ratio of remuneration of each Director/to median remuneration of employees
1.	Mr. Alay Shah, Managing Director	0%	51.09:1
2.	Mr. Prajesh Purohit, Chief Financial Officer	14.47%	4.32:1
3.	Mr. Aashay Alay Shah, Whole-Time Director	0%	14.59:1
4.	Ms. Niki Tiwari, (upto 30 <sup>th</sup> December, 2023) Company Secretary	06.66%	0.58:1
5.	Ms. Mauli Rushil Mehta, (W.e.f. 6 <sup>th</sup> March, 2024) Company Secretary	100%	1.16:1

**Note:** Independent Directors are paid only sitting fees and hence not included in the above table.

- i) The median remuneration of employees of the Company during the financial year was ₹ 27,400/-.
- ii) In the financial year, there was an increase of 08.7% (₹ 2,193/-) in the median remuneration of employees;
- iii) There were 134 permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2024.
- iv) Average percentage Increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2023-2024 was 4.239% whereas the increase in the managerial remuneration for the same financial year was 1.615%
- v) Remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

None of the Directors of the Company are in receipt of any commission from the Company.

The statement containing names of top Ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of managerial personnel) Rules, 2014 is furnished as below:

Sr. No.	Name of Employee	Designation	Age	Qualification	Experience (in years)	Date of joining
1.	Ashok Bhambhani	Head - Buisness Development	62	BE	36	02/04/2019
2.	Rajendra Nath	COO	56	BE Mechanical, MBA	31	22/07/2019
3.	H G Manjunath	DGM	45	BE EC	21	08/04/2018
4.	Varun Rekhi	Sr. Business Dev. North Region	36	BE Electrical	12	12/04/2021
5.	Sohil Dave	Sr. Manager	37	BE Electrical	15	01/05/2018
6.	Prajesh Purohit	Sr. Manager (F & A)	62	B. Com	38	11/09/1995
7.	Nirav Pandya	Sr. Manager	43	DEE	21	22/11/2011
8.	Piyush Trivedi	Sr. Manager	51	B. Com	28	15/10/2007
9.	Vishwas Desai	Sr. Manager	39	MSW, DLP & PGDHRD	16	22/06/2015
10.	Hitesh Patel	Sr. Manager	47	BE	19	06/12/2011

## 28. MAINTENANCE OF COST RECORDS

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 dated 31<sup>st</sup> December, 2014, the activity of your Company falls under Non-regulated sectors and maintenance of cost records as well as the cost audit, as the case may be has been applicable to the Company for the Financial Year 2023-2024.

## 29. HUMAN RESOURCES

During the period under review, the personal and industrial relations with the employees remained cordial in all respects. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The Company recognizes talent and has judiciously followed the principle of rewarding performance.

## 30. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.

In terms of Schedule V read with Regulation 34(3) of SEBI (LODR) Regulation, 2015, disclosures relating to Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 are given as below: No complaint is outstanding as on 31<sup>st</sup> March, 2024 for redressal.

- (i) Number of complaints filed during the financial year: **NIL**
- (ii) Number of complaints disposed of during the financial year: **NIL**

- (iii) Number of complaints pending as at the end of the financial year: **NIL**

## 31. SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATORS/COURTS

During the year, no significant and material order was passed by the Regulators or courts.

## 32. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THE CURRENT STATUS

During the year under Review, neither any application was made nor any proceedings were pending under Insolvency and Bankruptcy Code, 2016.

## 33. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

Not Applicable

## 34. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board of Directors  
For **Shilchar Technologies Limited**

**Alay Jitendra Shah**  
Chairman & Managing Director  
DIN: 00263538

**Place:** Gavasd, District Vadodara  
**Date:** 30<sup>th</sup> April, 2024

## Annexure-I

Particulars under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 for the year ended 31<sup>st</sup> March, 2024.

Sr. No.	Particulars		
<b>[A]</b>	<b>Conservation of Energy:</b>		
(a)	Energy conservation measures taken:		
	1. Application of Gas based Ovens.		
	2. The lighting changed to Picture Tube Lights (PL).		
	3. The Company set up a wind mill project to generate eco friendly electricity, being used for captive consumption.		
	4. The numbers as well as capacity of capacitors changed to achieve improved power factor.		
	5. The consumption of Diesel is under close supervision.		
	6. Putting thrust on developing energy efficient transformers.		
(b)	Additional investments and proposals if any, being implemented for reduction of consumption of energy.		
(c)	Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: Saving in power cost.		
(d)	Total energy consumption and energy consumption per unit of production as per prescribed <b>Form A:</b>		
<b>FORM A</b>			
<b>A. Power &amp; Fuel Consumption</b>		<b>2023-24</b>	<b>2022-23</b>
<b>1.</b>	<b>Electricity</b>		
	<b>a) Purchased</b>		
	Unit	939,215	1,364,598
	<b>Total Amount (in ₹)</b>	<b>10,087,658</b>	<b>10,360,976</b>
	Rate/Unit	10.74	7.59
	<b>b) Own Generation:</b>		
	i) Through Diesel Generator		
	Diesel Qty (in Litre)	3,382	1,886
	No. of Units Generated	12,181	6,846
	Total Amount (in ₹)	311,000	175,000
	Unit per Litre of Diesel Oil	3.60	3.63
	<b>Total Cost per Unit</b>	<b>25.53</b>	<b>25.56</b>
	ii) Through Steam	NIL	NIL
	Turbine/Generator	---	---
	Unit	---	---
	Units per Litre of Fuel Oil/Gas	---	---
<b>2.</b>	<b>Coal (Specify quantity and - where used)</b>	<b>NIL</b>	<b>NIL</b>
<b>3.</b>	<b>Furnace Oil</b>		
	Quantity in Liters	NIL	NIL
	<b>Total Amount</b>	<b>NIL</b>	<b>NIL</b>
	Average Rate/Liter	NIL	NIL
<b>4.</b>	<b>Others</b>		
	<b>a) Light Diesel Oil</b>		
	LDO Consumed in Liters	NIL	NIL
	<b>Total Amount</b>	<b>NIL</b>	<b>NIL</b>
	Average Rate/Liter	NIL	NIL
	<b>b) Wind Generation</b>		
	Generated Units	481,435	448,112
	<b>Total Amount (in ₹)</b>	<b>3,573,887</b>	<b>2,705,910</b>
	Average Rate/Unit	7.42	6.03

**B. Consumption Per Unit of Production:**

Since the Company manufactures different types of transformers, it is not practicable to give consumption per unit of production.

**FORM B****[B] Technology Absorption****(a) Research & Development:**

(1) Specific area in which R & D is carried out by the Company:

1.1 The Company is in the process of establishing state of the art facilities for research.

1.2 The Company has been investing in setting up optimum testing facilities at various stages of production process.

(2) Benefits derived as a result of the above R & D

Improvement in quality and better product mix

(3) Future plan of action:

To invest more in R & D activities.

(4) Expenditure on R & D:

During the financial year ended on 31<sup>st</sup> March, 2024, the Company spent ₹ 71.71 Lakhs on R & D activities, being 0.18 % of its total turnover, as compared to ₹ 65.91 Lakhs, being 0.24% in the previous year.

**(b) Technology Absorption, Adaptation & innovation:**

(1) Efforts in brief, made towards technology absorption, adaptation and innovation.

Your Company has continued its efforts to upgrade its manufacturing facilities of Electronics & telecommunication transformers.

**[C] Foreign Exchange earnings and outgo**

(in ₹)

Sr. No.	Particulars	2023-24	2022-23
1.	Earning from Export during the year	2,178,400,866	1,141,349,873
2.	Outgo:		
	a) CIF value of Imports	78,271,363	3,968,645
	b) Expenditure in foreign currency	4,071,502	12,372,144
	c) Travelling	1,961,817	1,938,531

For and on behalf of the Board of Directors  
For **Shilchar Technologies Limited**

**Place:** Gavasd, District Vadodara

**Date:** 30<sup>th</sup> April, 2024

**Alay Jitendra Shah**  
Chairman & Managing Director  
DIN: 00263538



# Annexure-II

## Annual Report on Corporate Social Responsibility (CSR) Activities

### 1. A brief outline of the Company's CSR policy:

The Company is committed to its stakeholders to conduct its business in a responsible manner that creates a sustained positive impact on the society. This means working with underserved communities to improve the quality of their life and preserve the ecosystem that supports the communities and the Company. We are building an increased commitment at all levels in the organization to operate our business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all stakeholders.

### 2. (i) Composition of the CSR Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year	Date of meeting
1.	Mr. Alay Shah	Chairman	1	1	29/04/2023
2.	Shri Mukeshbhai Patel upto 6 <sup>th</sup> February, 2024	Member	1	1	29/04/2023
3.	Shri Zarksis Jahangir Parabia	Member	1	1	29/04/2023
4.	Shri. Rakesh Dhanraj Bansal w.e.f 6 <sup>th</sup> February, 2024	Member	1	N.A.	N.A.

### 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:

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

### 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.

#### (a) Average net profit of the Company as per Section 135(5):

₹ 2821.81 Lakhs

#### (b) Two percent of average net profit of the Company as per Section 135(5):

₹ 56.44 Lakhs

#### (c) Surplus arising out of the CSR projects or

programmers or activities of the previous financial years:

NIL

#### (d) Amount required to be set-off for the financial year, if any:

NIL

#### (e) Total CSR obligation for the financial year [(b)+(c)-(d)]:

₹ 56.44 Lakhs

### 6.

#### (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):

₹ 59.19 Lakhs

#### (b) Amount spent in Administrative Overheads:

NIL

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

NIL

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

Total Amount Spent for the Financial Year (in ₹)	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
₹ 59.19 Lakhs	NIL	N.A.	N.A.	NIL	N.A.

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

Sr. No.	Name of Director	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per Section 135(5)	₹ 56.44 Lakhs
(ii)	Total amount spent for the financial year	₹ 59.19 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 2.75 Lakhs
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	₹ 10.21 Lakhs
(v)	Amount available for set off in succeeding financial years [(iii)+(iv)]	₹ 12.96 Lakhs

## 7. Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

1	2	3	4	5	6	7	8	
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-Section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-Section (6) of Section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-Section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY-1	-	-	-	-	-	-	-
2	FY-2	-	-	-	-	-	-	-
3	FY-3	-	-	-	-	-	-	-

## 8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

No

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

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

1	2	3	4	5	6		
Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/Beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
-	-	-	-	-	-	-	-

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

**9. Details of CSR amount spent against other than ongoing projects for the financial year:**

Sr. No.	Item from the list of activities in schedule VII to the Act	Name of the project	Local area (Yes/No)	Location of the project (State and District)	Amount spent for the financial year (in ₹)	Mode of Implementation Direct (Yes/No)	Mode of implementation through implementing agency	
							Name	CSR Reg. No.
1.	Medical/ Education	Medical/ Education	No	Vrindaban, Mathura	5,00,000	No	Ramkrishna Mission	CSR00006101
2.	Education	Education	Yes	Vadodara	4,08,586	No	Baroda Citizen Council	CSR00007015
3.	Eradicating Hunger/ Education	Eradicating Hunger/ Education	Yes	Vadodara	1,00,000	No	Akshaypatra	CSR00000286
4.	Medical	Medical	No	Vrindaban	2,00,000	No	Lokhit Prayans	CSR00048591
5.	Education	Education	No	Vrindaban	18,55,000	No	Anand Vrindavan Trust	CSR00018850
6.	Education	Education	Yes	Vadodara	1,20,000	No	Mahavir Foundation	CSR00002591
7.	Eradicating Hunger	Eradicating Hunger	Yes	Vadodara	2,16,000	No	Lagni Foundation	CSR00000351
8.	Education	Education	Yes	Vadodara	1,50,211	Yes	Navsarjan Sarvajanik Trust Mandal	Direct Project undertaken by Company
9.	Education	Education	Yes	Vadodara	32,500	No	BCC	CSR00007015
10.	Culture	Art & Culture	Yes	Vadodara	1,12,500	No	United Way of Baroda	CSR00002187
11.	Education	Education	Yes	Vadodara	1,00,000	No	Shree Maharani Chimnabai Stree Udyogalya	CSR00008218
12.	Medical	Medical	Yes	Vadodara	1,00,000	No	Hari Om Seva Trust	CSR00004215
13.	Sports	Sports	Yes	Vadodara	3,77,000	No	Baroda Football Academy	CSR00013346
14.	Medical	Medical	Yes	Vadodara	5,47,500	No	Medical Care Centre Trust	CSR00003940
15.	Medical	Medical	No	Anand	11,00,000	No	Charuter Arogya Mandal	CSR00002068
<b>Total</b>					<b>59,19,297</b>			

**10. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135: Not Applicable**

Place: Gavasd, District Vadodara  
Date: 30<sup>th</sup> April, 2024

Zarksis Jahangir Parabia  
Director

Alay Jitendra Shah  
Chairman of the Committee

# Annexure-III

## 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)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso is given below:

### 1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS: Not Applicable

Sr. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	NIL
b)	Nature of contracts/arrangements/transactions	NIL
c)	Duration of the contracts/arrangements/transactions	NIL
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
e)	Justification for entering into such contracts or arrangements or transactions	NIL
f)	Date(s) of approval by the Board	NIL
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	NIL

### 2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS:

Sr. No.	Particulars				
a)	Name(s) of the Related Party	Mr. Aatman Alay Shah	Mr. Aashay Alay Shah	Mr. Alay Shah	Nile Transformers Limited
b)	Nature of relationship	Related to Mr. Alay Shah, MD	Related to Mr. Alay Shah, MD	Managing Director	Common Director
c)	Nature of contracts/ arrangements/ transactions	Employment	Employment	Employment	Manufacturing of Distribution & Power Transformers
d)	Duration of the contracts/ arrangements/ transactions	01/04/2023 to 31/03/2024	01/04/2023 to 31/03/2024	01/04/2023 to 31/03/2024	01/04/2023 to 31/03/2024
e)	Salient terms of the contracts or arrangements or transactions including the value, if any	Working as Manager (Operations). Salary of ₹ 2.44 Lakhs per month.	Director Remuneration of ₹ 4 Lakhs per month	Director Remuneration & Commission paid/ payable ₹ 762.84 Lakhs yearly	Sales of Transformers during the year ₹ 301.57 Lakhs
f)	date(s) of approval by the Board, if any	N.A.	N.A.	N.A.	N.A.
g)	Amount paid as advances, if any	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors  
For **Shilchar Technologies Limited**

Place: Gvasd, District Vadodara  
Date: 30<sup>th</sup> April, 2024

**Alay Jitendra Shah**  
Chairman & Managing Director  
DIN: 00263538

# Annexure-IV

## Nomination and Remuneration Policy

**SHILCHAR TECHNOLOGIES LIMITED** ("the Company") has constituted Nomination and Remuneration Committee ("Committee") pursuant to the provisions of Section 178 of the Companies Act, 2013 and rules made thereunder and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements Regulations 2015). This Policy has been formed for nomination and deciding remuneration of Directors, Key Managerial Personnel (KMP) and other employees of the Company, by the Nomination and Remuneration Committee and approved by the Board of Directors at their respective meetings held on 4<sup>th</sup> June, 2021.

### OBJECTIVE

The Policy has been formed with an objective that the remuneration of Directors, Key Managerial Personnel (KMP) and other employees of the Company is appropriate considering short and long term performance objectives appropriate to the working of the Company and the same is suitable based on the Company's size, financial position and practices prevailing in peer companies in the industries, with a view to ensure long term sustainability of the Company.

### APPLICABILITY

The Remuneration Policy shall be applicable to all Directors, KMPs and Other employees, present as well as future and shall be of guidance for the Board.

### SCOPE & FUNCTIONS

The Committee shall identify 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 and shall carry out evaluation of every Director's performance.

### The Committee shall ensure that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and officials working at senior management level involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

### RETIREMENT & REMOVAL

The Director, KMP and other employees of the Company, shall retire as per the applicable provisions of the regulations and the prevailing policy of the Company and/or the provisions of the Companies Act, 2013 & applicable Act, Rules and Regulations, if any. The removal of Director and KMP shall be subject to the provisions of the Companies Act, 2013 and the rules made thereunder.

### REMUNERATION TO MANAGING DIRECTORS

At the time of appointment or re-appointment, the remuneration (including perquisites, commission, etc.) to be paid to the Managing Director, shall be recommended by the Nomination & Remuneration Committee and approved by the Board. The overall remuneration shall be in accordance with the terms and conditions and overall limit prescribed as per the applicable provisions of the Companies Act, 2013 and the rules made thereunder.

# Annexure-V

Form No. MR-3

## SECRETARIAL AUDIT REPORT

(For the Financial year ended on 31<sup>st</sup> March, 2024)

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

To,  
The Members,  
**SHILCHAR TECHNOLOGIES LIMITED**  
Near Muval Sub Station,  
Padra Jambusar Highway, Gavasad,  
Vadodara, Gujarat, India - 391430.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **SHILCHAR TECHNOLOGIES LIMITED** (hereinafter called "the Company") (CIN: L29308GJ1986PLC008387). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has generally, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- D. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not applicable to the Company during the Audit Period**
- E. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not applicable to the Company during the Audit Period**
- F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not applicable to the Company during the Audit Period**
- H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not applicable to the Company during the Audit Period** and
- I. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I have also examined compliance with the applicable clauses of the following: (i) The mandatory Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.

Further, as per representation of management letter, considering its nature of business, process and location, the following Acts are specifically applicable to the Company. There are adequate systems and processes in the Company to monitor and ensure compliance.

1. The Water (prevention and control of pollution) Act, 1974 & Rules;

2. Air (Prevention & Control of Pollution) Act, 1981 & Rules;
3. Environment Protection Act, 1986 & Rules;
4. Water Cess Act, 1997 & Rules.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, and 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. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least 7 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.

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

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that, during the audit period, the Company has passed the following Special Resolutions at 37<sup>th</sup> Annual General Meeting of the members convened on 25<sup>th</sup> August, 2023:

- i. Approval of commission to Mr. Alay Jitendra Shah (DIN: 00263538) as Managing Director of the Company;
- ii. Approval of managerial remuneration of Mr. Alay Jitendra Shah (DIN: 00263538) as Managing Director of the Company; and
- iii. Shifting of Registered Office of the Company from Bil Road, Bil, District Vadodara, Gujarat - 391410 to Near Muval Sub Station, Padra Jambusar Highway, Gavasad, Vadodara, Gujarat, India - 391430.

In the annual general meeting of the members convened on 25<sup>th</sup> August, 2023 the shareholders have approved the increase in Authorised Share Capital from ₹ 5 Crores to ₹ 10 Crores and the issue of Bonus equity shares in the ratio of 1 Equity share for every 1 Equity Shares held.

Further I report that during the audit period Company has passed following special resolution through postal ballot on 17<sup>th</sup> March, 2024:

- i. Appointment of Mr. Rakesh Dhanraj Bansal (DIN: 00002179), as Non-Executive Independent Director;
- ii. Approval for Increasing the Limit of Investment by Non-Resident Indian or Overseas Citizen of India In the Share Capital of The Company; and
- iii. Approval for Continuation to Hold Office of Non-Executive Independent Director of The Company till the Current Tenure of Appointment of Mr. Mukesh Dahyabhai Patel, DIN: 00009605.

Sd/-

**Bhautik Kanasagara**

ACS No.: 60290; CP No.: 23136

UDIN: A060290F000280950

PR No.: 3274/2023

**Place:** Vadodara

**Date:** 30<sup>th</sup> April, 2024

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

## ANNEXURE

### To Secretarial Audit Report

To,  
The Members,  
**SHILCHAR TECHNOLOGIES LIMITED**  
Near Muval Sub Station,  
Padra Jambusar Highway, Gavasad,  
Vadodara, Gujarat, India - 391430.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and the practices, I followed provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. The Compliance of applicable financial laws like direct and indirect laws have not been reviewed in this Audit since the same have been subject to review by Statutory Financial Audit and Other designated professionals.
4. Wherever required, 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 the 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.

Sd/-

**Bhautik Kanasagara**

ACS No.: 60290; CP No.: 23136

UDIN: A060290F000280950

PR No.: 3274/2023

**Place:** Vadodara

**Date:** 30<sup>th</sup> April, 2024



# Annexure-VI

## Management Discussion and Analysis

### Economic Overview

#### Indian economy

The Indian economy has demonstrated remarkable resilience and growth in 2023-24, showcasing its ability to thrive amidst global challenges. The latest estimates indicate a robust GDP growth rate for FY24 of 8.2%, surpassing earlier projections and positioning India as one of the fastest-growing major economies worldwide.

This impressive performance can be attributed to a combination of factors, including strategic policy initiatives, increased public investment, and a resurgence in private consumption. The government's focus on capital expenditure, particularly in infrastructure development, has played a pivotal role in stimulating economic activity and creating a multiplier effect across various sectors.

Looking ahead, the economic outlook for India remains optimistic. Projections suggest that the growth momentum is likely to continue, with forecasts indicating a growth rate of around 6.9% for FY25. This sustained high growth trajectory, especially in the face of global economic headwinds, underscores the fundamental strength and resilience of the Indian economy.

The manufacturing sector has emerged as a key driver of growth, expanding by 8.9% year-on-year in the March quarter of 2024. This robust performance reflects the success of government initiatives aimed at boosting domestic production and enhancing India's competitiveness in global markets.

Despite these positive indicators, challenges remain. The agricultural sector's growth has been modest, and there is a need to address uneven economic recovery across different segments of society. The government's commitment to inclusive growth is evident in its focus on rural development and social welfare programs, aimed at ensuring that the benefits of economic expansion reach all sections of the population.

India's economic policies continue to prioritise fiscal prudence alongside growth. The government has set a fiscal deficit target of 5.9% of GDP for FY24, demonstrating its commitment to maintaining macroeconomic stability while supporting economic expansion.

As India navigates the evolving global economic landscape, it is well-positioned to capitalise on emerging opportunities. The country's large domestic market, young demographic profile, and ongoing structural reforms provide a strong foundation for sustained growth in the coming years.

In conclusion, India's economic performance in FY24 has been commendable, characterised by robust growth, improved manufacturing output, and strategic policy initiatives. While challenges persist, the overall trajectory suggests that India is on track to further consolidate its position as a key player in the global economy.

### Industry Overview

#### India transformer industry

The Indian transformer industry has been experiencing robust growth in recent years, driven by a combination of strong domestic demand, supply shortages, improved realisations, and increasing export opportunities. This positive trend is expected to continue, supported by several key factors that are shaping the current industry landscape.

Government initiatives for grid-level investments & upgradation and the rapid expansion of renewable energy capacity, particularly in the solar sector, are significant drivers of transformer demand. The improved capital expenditure outlook from both public and private sectors further bolsters this growth trajectory. Additionally, exports are emerging as a crucial demand driver, with Western countries, especially the United States and Europe, showing strong demand interest due to their ageing grid infrastructure, improving mix of renewable energy in the generation capacity and global transformer supply constraints.

The transformer market in India is broadly categorised into power transformers and distribution transformers. The power transformer segment, characterised by high technology requirements and stringent pre-qualification norms, is primarily driven by central government and industrial expenditures. In contrast, the distribution transformer market is more fragmented and largely influenced by state government spending. Both segments are experiencing substantial growth, fuelled by the expansion of solar, wind, and other renewable energy capacities, necessitating upgrades at both grid and distribution levels.

Several factors are propelling the demand for transformers in India. The solar capacity addition, projected to increase from 15 GW to over 50 GW annually in the next 6-7 years, is driving demand for specialised transformers unique to solar applications. Additionally, the national grid upgradation, spearheaded by entities like Power Grid Corporation of India Limited (PGCIL), is expected to double investments over the next 4-5 years, further stimulating demand.

The transformer market is also benefiting from increased capital expenditure in traditional sectors such as steel and cement, as well as emerging sectors like data centres and corporate adoption of captive green energy solutions. This diversification of demand sources contributes to the industry's robust outlook.

Furthermore, the global supply constraints, particularly in the United States and Europe, are creating significant export opportunities for Indian transformer manufacturers. This international demand, coupled with favourable government policies aimed at addressing increasing energy needs, is expected to drive sustained growth in the Indian transformer market.

In conclusion, the Indian transformer industry is poised for continued expansion, supported by a combination of domestic infrastructure development, renewable energy growth, industrial demand, and export opportunities. This positive outlook presents significant opportunities for companies like Shilchar Technologies to capitalise on the growing market and contribute to India's evolving energy landscape.

## India power sector

The Indian power sector experienced significant growth and transformation in FY24, mirroring the robust economic performance of the country. With India's GDP growing at an impressive 8.2%, the energy sector saw corresponding increases in demand and infrastructure development.

Electricity demand surged by 7.4% to reach 1,626 billion units (BU), while peak demand hit a record high of 243 GW, representing a 13% increase year-on-year. This unprecedented growth in demand, particularly the peak observed in September 2023, underscores the evolving energy consumption patterns within India.

The sector faced challenges due to irregular monsoon rainfall, which led to a 17% decrease in hydroelectric power generation. To ensure energy security, the government implemented measures such as mandating the blending of imported coal and directing imported coal-based plants to operate at full capacity. These actions, along with announcements of new thermal capacities by several states, highlight the ongoing importance of conventional power sources in meeting India's growing electricity needs.

Significant strides were made in improving the efficiency of power distribution and transmission. Aggregate Technical and Commercial (AT&C) losses improved to 15.4%, driven by enhancements in billing and collection efficiencies. The transmission sector saw substantial investments, with bidding concluded for 29 projects worth ₹ 53,000 crore under the Tariff Based Competitive Bidding (TBCB) mode.

Renewable energy continued to gain momentum, with the government setting ambitious targets for capacity addition. A record 22.9 GW of renewable capacities were auctioned in 2023, more than double the previous year's figure. To address intermittency issues, there was increased focus on Pumped Storage Plants (PSP) and battery energy storage systems, with record-low tariffs discovered for tenders including storage components.

The electric vehicle (EV) sector showed remarkable growth, with sales crossing 1.5 million units in 2023, representing a 49% year-on-year increase. The government's approval of the "PM - eBus Sewa" program to deploy 10,000 electric buses nationwide further underscores the push towards electrification in the transportation sector.

Looking ahead, the power sector is poised for continued growth, with electricity demand expected to increase by 5.5-6.0% in FY25. The ongoing focus on renewable energy, improvements in distribution efficiency, and the rapid adoption of electric vehicles are likely to shape the future of India's power sector, presenting a lot of challenges as well as opportunities.

## Renewable energy sector

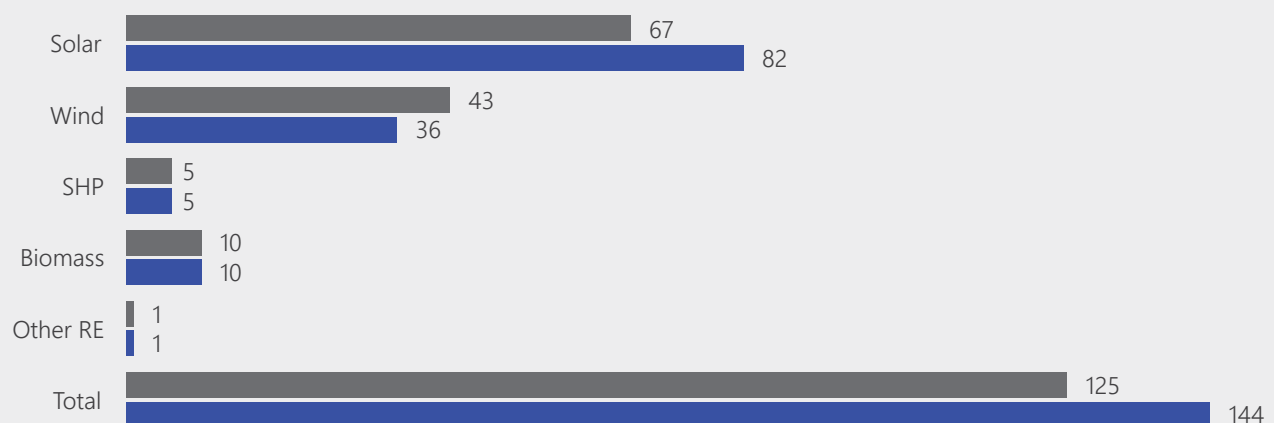
The Indian renewable energy sector experienced remarkable growth and transformation in FY24, solidifying its position as a key driver of the country's energy transition. According to the Central Electricity Authority (CEA), the share of installed renewable energy capacity in India's total generation mix increased from 22% (78 GW) in FY19 to an impressive 33% (144 GW) by FY24. This growth is reflected in the rising contribution of renewables to total electricity generation, which expanded from 9% to 13% during the same period.

In response to the Ministry of New and Renewable Energy's (MNRE) ambitious directive to tender 50 GW of renewable capacities annually, India witnessed a record-breaking year in 2023. The country auctioned 22.9 GW of renewable capacities, more than doubling the previous year's figure. This surge was primarily driven by increased solar volumes (70%) and complex bids (24%), which combine wind, solar, and energy storage solutions. The trend continued into early 2024, with complex bids accounting for nearly 50% of auctions in the January-March period.

While bidding and tendering activities gained momentum, solar and wind auction tariffs experienced an upward trajectory. Solar tariffs increased by approximately 3% year-on-year in 2023, while wind tariffs rose by about 10%. This uptick in tariffs was partly attributed to higher borrowing costs in the sector.

### Installed capacity (renewable)

(GW)



Source: CEA

■ FY23

■ FY24

As India progresses towards its net-zero goal by 2070, the need for round-the-clock (RTC) power has highlighted the critical role of energy storage solutions. Significant developments were observed in both Pumped Storage Plants (PSP) and Battery Energy Storage Solution (BESS) sectors. Following the government's issuance of final guidelines in April 2023 to promote PSP development, numerous states and private players announced their participation in this sector.

In conclusion, the Indian renewable energy sector continues to demonstrate robust growth and innovation, driven by supportive government policies, increasing private sector participation, and a growing focus on energy storage solutions. These developments position India favourably to achieve its ambitious renewable energy targets and contribute significantly to global climate change mitigation efforts.

## Company Overview

Shilchar Technologies Limited, incorporated in 1986, has established itself as one of India's most prominent and respected manufacturers of Power & Distribution and Electronics & Telecom transformers. The Company's journey reflects a strategic evolution in its product portfolio, transitioning from R-core transformers in the 1990s to Ferrite transformers in 1995, and ultimately focusing on Distribution & Power transformers from 2004-2007.

At the heart of Shilchar's operations is its state-of-the-art manufacturing facility in Gavasad, Vadodara. This flagship plant boasts an impressive annual transformer manufacturing capacity of 4,000 MVA, with ongoing expansion plans set to increase this to 7,500 MVA. The facility is equipped with cutting-edge technology, including PLC-based fully automated foil winding machines, PLC-based autoclave, and a fully automated transformer oil filling system. A key feature of this plant is its dedicated NABL accredited testing laboratory. With its 3 testing laboratories equipped with automatic testing panels for simultaneous testing, Shilchar ensures the highest quality standards are met in all its products.

Shilchar's product range extends to transformers up to 50 MVA, 132 KV Class, catering to a diverse array of industries. The company has built a strong reputation for delivering custom-designed, high-quality transformers that meet specific customer requirements. This commitment to quality and customization has been a cornerstone of Shilchar's success over the past few decades.

A significant feature in Shilchar's growth story has been its expansion into international markets. Over the last decade, the company has successfully established itself as an internationally sought-after brand, with exports now contributing approximately 52% to its top line. Shilchar's global footprint extends across North America, South America, and the Middle East, among other regions.

The company serves a wide range of sectors, including Private Utility Companies, Renewable Energy (Solar, Wind & Hydel), Sugar, Steel & Hydrocarbon Industries, Large Scale EPC Contractors, Corporate Clients, and Power Plant Developers. This diverse customer base underscores Shilchar's versatility and its ability to meet the varied needs of different industries.

As part of its strategic growth plan, Shilchar is consolidating its operations at the Gavasad site. The company's older manufacturing facility in Bil, Vadodara, will be phased out once the current expansion at Gavasad is complete. Given the substantial land parcel available at Gavasad, Shilchar plans to concentrate all future capacity investments at this location for the foreseeable future, positioning itself for sustained growth and operational efficiency.

With its strong design capabilities, robust manufacturing setup, commitment to quality, growing international presence, and strategic focus on expansion, Shilchar Technologies Limited is well-positioned to continue its trajectory as a prominent player in the transformer industry, both in India and globally.

## FY24 Performance Review

Shilchar Technologies Limited demonstrated exceptional financial performance in FY24, with Revenue from Operations surging to ₹ 39,687.82 Lakhs, marking a robust 42% year-on-year growth from ₹ 28,024.12 Lakhs in FY23. The company's operating profitability significantly improved, as evidenced by the EBITDA (excluding Other Income) of ₹ 11,329.94 Lakhs in FY24, a significant 113% increase from ₹ 5,308.24 Lakhs in the previous year. This translated into a substantial expansion of the EBITDA margin, which rose from 19% in FY23 to 29% in FY24. Profit After Tax mirrored this strong performance, growing by 113% to reach ₹ 9,188.81 Lakhs, up from ₹ 4,312.24 Lakhs in FY23. Notably, Shilchar Technologies maintains a robust financial position with a debt-free balance sheet and substantial cash reserves, positioning the company favourably for future growth initiatives.

## Key financial ratios

Particulars	FY23	FY24	% Change	Explanation for more than 25% change
Current Ratio	2.56	3.07	19.96%	
Debt-equity Ratio	-	-	-	
Debt Service Coverage Ratio	8.26	-	-100%	Due to increase in profitability, term loan repaid and reduction of interest of credit facilities.
Return on Equity (ROE)	42.86%	55.52%	29.52%	Due to increase in profitability.
Inventory Turnover (Times)	10.26	9.60	-6.39%	
Trade Receivables Turnover Ratio (Days)	3.48	4.27	22.84%	
Trade Payables Turnover Ratio (Days)	5.20	6.28	18.53%	
Net Capital Turnover Ratio (Times)	3.39	2.41	-28.83%	Due to increase in working capital in proportion to increase in sales.
Net Profit Ratio	15.39%	23.15%	50.46%	Due to increase in profitability of the Company.
Return on Capital Employed (ROCE)	47.36%	58.24%	22.73%	
Return on Investment (ROI)	9.90%	9.27%	-6.35%	

## Effectiveness of Internal Control Systems

The Company maintains robust and comprehensive internal control systems to safeguard its assets, prevent unauthorised use or disposal, and ensure the proper authorization, recording, and reporting of transactions. These internal controls are designed to optimise resource utilisation, enhance operational efficiency, monitor operations, and ensure compliance with relevant laws and regulations. Additionally, the auditors have affirmed the adequacy and effectiveness of the Company's internal control systems, providing further assurance of their reliability and integrity. These measures contribute to the Company's overall governance framework and instil confidence in the accuracy and transparency of its financial and operational activities.

## Human Resource Development and Industrial Relations

Shilchar Technologies places immense value on its employees, considering them essential to the company's success and growth. We prioritise their development by offering extensive training programs aimed at enhancing their skills and knowledge. Our objective is to attract top talent and retain them by positioning ourselves as a preferred employer. We cultivate a collaborative and supportive work environment

that promotes open communication and mutual respect. The management is dedicated to ensuring safety, occupational health, and environmental sustainability through meticulous planning, training, and task execution. During the period under review, Shilchar Technologies maintained its status as a "Zero Discharging Pollution Unit." As of 31<sup>st</sup> March, 2024, our workforce exceeded 130 permanent employees and 320 indirect employees, reflecting our commitment to strengthening our human capital. We firmly believe that investing in our employees and maintaining strong industrial relations will drive our continued success and growth.

## Cautionary Statement

Statements in the Management Discussion and Analysis and any other part of the report describing the Company's objectives, projections, estimates and expectations may be forward-looking statements. Actual results may differ materially from those expressed or implied due to various risks and uncertainties. Important factors that could make a difference to the Company's operations include economic and political conditions in India and other countries, in which the Company may operate. Other factors that may impact the Company's operations include volatility in interest rates, changes in government regulations and policies, tax laws, statutes, and other incidental factors. The Company does not intend to update these statements.

# Certificate of Non-Disqualification of Directors

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

To,  
The Members,  
**SHILCHAR TECHNOLOGIES LIMITED**  
Near Muval Sub Station,  
Padra Jambusar Highway, Gavasad,  
Vadodara, Gujarat, India - 391430.

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Shilchar Technologies Limited** having CIN: L29308GJ1986PLC008387 and having registered Near Muval Sub Station, Padra Jambusar Highway, Gavasad, Vadodara, Gujarat, India - 391430. (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mukesh Dahyabhai Patel	00009605	01/01/1995
2	Reshma Suresh Patel	00165162	27/03/2015
3	Alay Jitendra Shah	00263538	01/10/2007
4	Zarksis Jahangir Parabia	02667359	14/03/2016
5	Rajesh Rama Varma	01034325	08/02/2020
6	Aashay Alay Shah	06886870	01/11/2021
7	Rakesh Dhanraj Bansal	00002179	06/02/2024

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

Sd/-  
**Bhautik Kanasagara**  
ACS No.: 60290; CP No.: 23136  
UDIN: A060290F000280983  
PR No.: 3274/2023

**Place:** Vadodara  
**Date:** 30<sup>th</sup> April, 2024

# Corporate Governance Report

## A. MANDATORY REQUIREMENTS

### 1. Company's Philosophy on Code of Governance

The Company's purpose is business and to maximize long-term shareholder value by selling its goods and services. Therefore, our Corporate Governance processes are directed at ensuring that Company's actions, assets and agents are directed to achieving this purpose while complying with the Code of Governance and the Company's own policies and expectations and covers aspects such as ethical conduct, health, safety and the environment; control and finance; commitment to employees; and relationships.

Company's corporate governance conforms to regulatory and legal requirements, such as the terms of Listing Regulations. In addition, it incorporates several practices aimed at a high level

of business ethics, effective supervision and enhancement of value for all stakeholders. The Board lays emphasis on integrity and accountability.

### Key aspects of the Company's Governance Processes are:

- Clear statements of Board Processes and Board Executive linkage;
- Disclosure, accountability, transparency, adequate systems and procedures to monitor the state of affairs of the Company to enable the Board in effectively discharging its responsibilities to the stakeholders of the Company;
- Identification and management of key risks to delivery of performance of the Company.

### 2. Board of Directors

The Management of your Company is entrusted to the Managing Director.

Your Board of Directors closely monitors the performance of the Company and its Management, accord approvals and reviews strategies and, determines the remuneration of the management based on its performance. Your Board ensures legal and ethical conduct and high-quality financial reporting. It holds itself accountable to the shareholders as well as other stakeholders for the long-term health of the Company.

#### (a) Composition & Category of Directors:

Category	Number of Directors	%
Non-Executive and Independent Directors	05	71.42
Other Non-Executive Directors including the Chairman	-	-
Managing Director/Whole-Time Director	02	28.58
<b>Total</b>	<b>07</b>	<b>100.00</b>

As of the year ended 31<sup>st</sup> March, 2024, the Board of Directors had 7 (seven) members that includes one-woman Independent Director. The Board comprises of 5 (Five) Non-Executive Independent Directors and Mr. Alay Shah, Managing Director, and Mr. Aashay Alay Shah, Whole-Time Director.

Mr. Alay Shah, Chairman of the Board is an Executive Director.

The Non-Executive Independent Directors included Mr. Mukesh D. Patel, Mr. Zarkis J Parabia, Mrs. Reshma Patel, Mr. Rajesh Varma and Mr. Rakesh Dhanraj Bansal.

Accordingly, the numbers of Independent Directors or numbers of Non-Executive Directors are in compliance with the numbers stipulated by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### (b) Number of Board Meetings held, dates on which held and Attendance of each Director at the Board Meetings and the last Annual General Meeting:

##### Board Meetings held during the Year: 04

Dates on which Board Meetings were held	Total Strength of Board	No. of Directors Present
29/04/2023	6	5
29/07/2023	6	6
21/10/2023	6	6
05/02/2024	6	6

**Attendance of Directors at Board Meeting and Annual General Meeting:**

Name of Director	Attendance at Board Meetings held on				% of Attendance	Attendance at Annual General Meeting held on 25 <sup>th</sup> August, 2023
	29/04/2023	29/07/2023	21/10/2023	05/02/2024		
Mr. Alay J. Shah	✓	✓	✓	✓	100	Yes
Mr. Mukesh D. Patel	✓	✓	✓	✓	100	Yes
Ms. Reshma Patel	✓	✓	✓	✓	100	Yes
Mr. Zarksis J Parabia	-	✓	✓	✓	75	Yes
Mr. Rajesh R Varma	✓	✓	✓	✓	100	Yes
Mr. Aashay Alay Shah	✓	✓	✓	✓	100	No
Mr. Rakesh Dhanraj Bansal	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

**(c) Number of other Boards or Board Committees in which the Director is a Director/Member/Chairperson:**

Name of the Director(s)	Number of other Companies in which Director (including Alternate/Nominee Director)	Number of Committees (other than Shilchar Technologies Limited) in which Chairman/Member		Name of other Listed Company in which holding directorship & category
		Chairman	Member	
Mr. Alay Shah Managing Director	01	NIL	NIL	NIL
Mr. Mukesh Patel Independent Director	03	02	03	Punjab Chemicals and Crop Protection Limited, Banco Products (India) Limited (Independent non executive Director)
Mr. Aashay Alay Shah Whole-Time Director	01	NIL	NIL	NIL
Mr. Zarksis J. Parabia Independent Director	04	NIL	NIL	NIL
Mrs. Reshma Patel Independent Director	04	NIL	02	Shri Dinesh Mills Limited (Independent & Non-Executive Director)
Mr. Rajesh Varma Independent Director	00	NIL	NIL	NIL
Mr. Rakesh Dhanraj Bansal Independent Director	01	NIL	NIL	NIL

**(d) Directors Profile & Chart of skill/expertise/competence of Board of Directors:**

The Board of Directors consists of multifaceted experienced directors in different field. A brief profile of all the Directors which outlines their expertise and competence on the Board is given herein below:

**Mr. Alay Shah:**

Mr. Alay Shah, aged 58 years, is son of Late Shri Jitendra Shah, the Chairman and founder Director of the Company. He has been associated with the Company as one of the Promoter Directors since its incorporation. He is a bachelor of science with specialization in electronics and possesses more than 32 years of experience in the various areas of business including production, finance, marketing and administration. He is also a Director at AJS Shah Enterprise Private Limited. Besides, he holds membership in Shareholders and Investor Grievance Committee of the Company and attends meetings of the Audit Committee as Invitee.

**Mr. Aashay Shah:**

Mr. Aashay Shah is son of Mr. Alay J Shah, promoter and Managing Director of the Company. Mr. Aashay Shah has done Bachelor of Science in Electrical Engineering from University of Illinois, Urbana-Champaign, USA and done Masters in Business Administration from Cass Business School, London, UK. Mr. Aashay Shah served the Company as Manager- Operations from January 2014 to August 2016 and looked after various departments including marketing, production, procurement and design department. Mr. Aashay Shah has been shouldering responsibility as Manager- Business Development of Shilchar Technologies Limited from October 2017.

**Mr. Mukesh D. Patel: (upto 31<sup>st</sup> March 2024)**

Mr. Mukesh D. Patel, aged 74 years, is a graduate in Chemical Engineering, having over 42 years of experience in various areas of finance and Corporate Management at Director Level and had also played active role in various management associations. Mr. Mukesh D. Patel is Chairman of Shareholders and Investors' Grievance Committee and Audit Committee of the Board, respectively and member of Nomination and Remuneration Committee and CSR committee, he holds chairmanship and members of committee up to 6<sup>th</sup> February, 2024.

Besides, Mr. Mukesh D. Patel is Director on the Board of Punjab Chemicals and Crops Protection Limited, Banco Products (India) Limited. Shri Mukesh D. Patel does not hold any shares in the Company.

**Ms. Reshma Patel:**

Ms. Reshma Patel, aged 64 years, educated in Print Production Management and Emerging Technologies from the Graphic Arts Technical Foundation, Pittsburgh, USA. She is presently working as the Chief Operating Officer at Light Publications since 1<sup>st</sup> October, 2011. She is a member in Audit Committee, Shareholders and Investors' Grievance Committee and Nomination & Remuneration Committee. She is well averse of nitty-gritty of corporate matters. She does not hold any shares in the Company.

**Mr. Zarksis Parabia:**

Mr. Zarksis J Parabia, aged 50 years, is a Mechanical Engineer. He has versatile and rich experience in the field of Transportation of Super Heavy Over Dimensioned equipments, material management and Erection of Power Transformers with PAN India presence since last many years. He is having rich experience and business acumen in handling various facets of Corporate World, India and abroad. Mr. Zarksis Parabia is Chairman of Remuneration Committee, Member of Shareholders and Investors' Grievance Committee and Audit Committee of the Board, respectively. Shri Zarksis Parabia does not hold any shares in the Company.

**Mr. Rajesh Varma:**

Mr. Rajesh Varma, aged 60 years and holds the qualification of B.com (University of Mumbai) and FCA (ICAI). He is a

Senior Professional - Advisor and Consultant. His areas of specialization are internal controls, risk assessment and Corporate Governance. In addition, he has also undertaken several business valuations on behalf of foreign/domestic Companies and for Private Equity funds. He has also served as a member of the Expert Committee on Power and Energy conservation of the Bombay Chamber of Commerce and Industry. He is Chairman of Audit Committee of the Board.

**Mr. Rakesh Dhanraj Bansal:**

Mr. Rakesh Bansal, aged 58, is the President of Shakun Polymers Private Limited which is part of Alphagary, an Orbia Business. He did his schooling from a reputed boarding school The Daly College, Indore and then pursued his Bachelor's degree in Commerce & Marketing from Maharaja Sayajirao University of Vadodara.

**3. Audit Committee****(a) Terms of Reference:**

The terms of reference of this Committee include matters mandated in the Listing Regulations and the Companies Act, 2013, respectively. The Audit Committee reviews the audit reports submitted by the Internal Auditors, Cost Auditors and Statutory Auditors and to meet them to discuss their findings, suggestions and other related matters, financial results, effectiveness of internal audit processes, Company's risk management strategy and Company's established systems and procedures. The Audit Committee also reviews the functioning of the Whistle Blower mechanism. Besides having access to all the required information from within the Company, the Committee may obtain external professionals' advice, whenever required. The Committee acts as a link between the Statutory and the Internal Auditors and the Board of Directors of the Company.

**(b) The Composition of Audit Committee as at 31<sup>st</sup> March, 2024 and details of the Members participation at the Meetings of the Committee are as under:**

As on 31<sup>st</sup> March, 2024, the Audit Committee comprised of 3 Non-Executive and Independent Directors viz. Mr. Mukesh Patel upto 6<sup>th</sup> February, 2024, Mrs. Reshma Patel and Mr. Rajesh Rama Varma and Mr. Zarksis Jahangir Parabia with effect from 6<sup>th</sup> February, 2024 with the Mr. Alay Shah, being a Permanent Invitee to the Committee.

Mr. Rajesh Rama Varma, is a Chairman of the Audit Committee. All the members of Audit Committee have financial and accounting knowledge.

The Chairman of the Audit Committee has attended the last AGM of the Company.

The Company Secretary acts as the Secretary to the Committee.



Four meetings were held during the financial year 1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024. The attendance of each Member of the Committee is given below:

Name of Director	Category	Attendance at Audit Committee Meetings held on				% of Attendance
		29/04/2023	29/07/2023	21/10/2023	05/02/2024	
Mr. Rajesh Rama Varma	Independent Director	✓	✓	✓	✓	100
Mr. Mukesh D. Patel	Independent Director	✓	✓	✓	✓	100
Ms. Reshma Patel	Independent Director	✓	✓	✓	✓	100

#### 4. Nomination and Remuneration Committee

##### (a) Terms of Reference:

This Committee shall identify the persons, who are qualified to become Directors of the Company/who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

##### (b) The Composition of the Nomination and Remuneration Committee as at 31<sup>st</sup> March, 2024 and details of the Members participation at the Meetings of the Committee are as under:

As on 31<sup>st</sup> March, 2024, the Committee comprised of 3 Non-Executive Directors viz. Ms. Reshma Patel and Mr. Zarksis J Parabia, and Mr. Mukesh Patel being Independent Directors upto 6<sup>th</sup> February, 2024. Mr. Zarksis J Parabia is Chairman of the Committee and Mr. Rajesh Rama Varma being Independent Directors with effect from 6<sup>th</sup> February, 2024.

Name of Director	Category	Attendance at Nomination and Remuneration Committee Meetings held on		% of Attendance
		29/04/2023	05/02/2024	
Ms. Reshma Patel	Independent Director	✓	✓	100
Mr. Zarksis J Parabia	Independent Director	-	✓	50
Mr. Mukesh Patel upto 6 <sup>th</sup> February, 2024	Independent Director	✓	✓	100

The Company Secretary acts as the Secretary to this Committee.

##### (c) Remuneration & Board Diversity Policy:

###### Sitting Fees

The Company pays sitting fees of ₹ 25,000/- for attending the meeting of the Board of Directors and ₹ 10,000/- for attending the meeting of the Committee of Directors to Non-Executive Directors.

###### Managing and Executive Directors

The Company pays remuneration to its Managing Director and Whole-Time Director by way of salary, allowances and perquisites as per the Company's rules. The salary and other perquisites are approved by the Board of Directors on recommendation of the Nomination and Remuneration Committee and the salary is paid within the overall limits approved by the members of the Company. The Board on the recommendation of Nomination and Remuneration Committee approves the annual increment effective 1<sup>st</sup> April each year.

The Remuneration paid to the Directors is as under:

Sr. No.	Name of Director	Remuneration ₹	Perquisites & Allowances	Sitting Fees ₹	Commission Paid/Payable	₹ In Lakhs
						Total ₹
1.	Mr. Alay J. Shah	180.22	1.74	NIL	468.90	650.86
2.	Shri Aashay Alay Shah	49.47	0.47	NIL	NIL	49.94
3.	Shri Mukesh D. Patel	NIL	NIL	1.80	NIL	1.80
4.	Smt. Reshma Patel	NIL	NIL	1.75	NIL	1.75
5.	Shri Zarksis J Parabia	NIL	NIL	1.25	NIL	1.25
6.	Shri Rajesh Rama Varma	NIL	NIL	1.30	NIL	1.30

No sitting fee is paid to Executive Directors.

Remuneration paid to Executive Directors includes Company's contribution to Provident Fund and Pension Fund.

## 1. INTRODUCTION: REMUNERATION POLICY

The remuneration policy for members of the Board of Directors and Executive Management of **Shilchar Technologies Limited** (herein after referred to as "Shilchar") reflects the interest of the shareholders and the Company taking into consideration any specific matters, including the assignments, the responsibilities undertaken and also be competitive with the external market. The Company recognizes the benefit of a Board that possesses the right balance of skills, knowledge, experience, expertise and diversity of perspective.

2. The Nomination and Remuneration Committee shall formulate eligible criteria for nomination and selection of Directors and recommended remuneration policy for the directors.

## 3. APPOINTMENT AND QUALIFICATION OF THE DIRECTORS AND THE COMPOSITION OF THE BOARD SHALL BE GOVERNED BY THE NOMINATION AND REMUNERATION COMMITTEE

In recognition of the fact that the selection of qualified directors is complex and crucial to the long-term success of the Company, the Nomination and Compensation Committee has established the following guidelines for the identification and evaluation of candidates for the membership on the Company's Board of Directors.

Candidates should be distinguished individuals who are prominent in their fields or otherwise possess exemplary qualities that will enable them to effectively function as directors of the Company. While the Nomination and Compensation Committee may not believe it appropriate at this to establish any specific minimum qualification for candidates, the Committee shall focus on the following qualities in identifying and evaluating candidates for Board membership.

### Board Membership Criteria:

- Educational background, business experience and skills;
- Charter, reputation of highest ethical standards and personal integrity;
- Practical wisdom, Sound Business Judgment and strong sense of professionalism;
- Independence and objectivity;
- Diversity and multi-cultural experience and understanding;
- Strong understanding of marketing, finance and other disciplines relevant to the success of business;
- Willingness to commit, as well as have sufficient time to discharge his or her duties to the Board;
- Ability to consider and understand all the constituencies of the Company, which includes stockholders, employees, customers, governmental units, creditors and the general public;

- Any other factors that the Nomination and Compensation Committee may consider to be relevant and appropriate for the appointment.

Recognizing that the overall composition of the Board is essential to the effective functioning of the Board the Nomination and Compensation Committee shall make appointment in the context of the existing composition of the Board so as to achieve an appropriate mix of backgrounds, skills, diversity and qualities. In making its determinations, the Nomination and Compensation Committee shall take into account all applicable legal, regulatory and stock exchange requirements concerning the composition of the Board and its committees.

## 4. EVALUATION CRITERIA

The Board constantly evaluates the contribution of the members and re-appoints them for tenure as per Company requirement based on their performance linked to strategic objectives of the Company. Evaluation criteria may be membership accountability, governance, board operations, legal responsibilities, financial overview, board management relations and personal leadership.

## 5. REMUNERATION TO THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

The remuneration of the Board of Directors and Executive Management is set by the Nomination and Remuneration Committee under the delegated powers of Board.

Efforts are made to ensure that the remuneration of the Managing Director/Whole-Time Director matches the level in comparable companies, whilst also taking into consideration board members' required competencies, qualification, efforts and scope of the board work, including the number of meetings.

Attracting and retaining top talent is the key objective of our approach to remuneration. This is done keeping in mind that the competitive and fair awards are linked to the key deliverable and also aligned with the market practices and stakeholders' expectations.

Accordingly, the Board of Directors believes that a combination of fixed and performance-based pay to the Executive Management helps ensure the Company can attract, motivate and retain key employees while reflecting the short-and long-term performance objectives and goal of the Company.

## 7. LINKAGE TO PERFORMANCE

The relationship of remuneration to performance is clear and ties the larger part of remuneration to long-term performance. The level varies according to performance relative to measure linked directly to strategic priorities.

## 8. POLICY ON DIVERSITY

Shilchar is committed to the highest standards of corporate governance, transparency and accountability. Hence, we strive to leverage Diversity to contribute to the achievement of Shilchar's strategic objectives.

Accordingly, the Board aims to attract and maintain a Board which has an appropriate mix of Diversity, education, skills, knowledge, experience, expertise and cultural background. The Shilchar Board recognizes the value of appointment of individual who bring a variety of diverse opinions, perspectives, skills, experience, background and orientations to its business decision and its decision-making processes.

An overriding principle is that all appointment to the Board will be based upon the merit and suitability of the candidate. Taking this in to account, appointment of female members to the Board is also to add value of a more diverse board.

## 9. REVIEW OF THE BOARD DIVERSITY POLICY

The Nomination and Remuneration committee shall review this policy, as appropriate, to ensure the effectiveness of this policy. The nomination committee shall discuss any revision that may be required and recommend any such revisions to the Board for consideration any approval.

## 10. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Sustainability and Corporate Social Responsibility Committee of the Company has been constituted in compliance with the statutory requirement. As on 31<sup>st</sup> March, 2024, Mr. Alay J. Shah, (Chairman), Mr. Mukesh Dahyabhai Patel, Non-Executive Independent Director upto 6<sup>th</sup> February, 2024 and Mr. Zarksis Jahangir Parabia, Non-Executive Independent Director are members of the Committee. One CSR Meeting was held on 29<sup>th</sup> April, 2023 and all members were present.

### Terms of Reference:

In terms of the provisions of Section 135(1) of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility Committee of the Board of Directors. Such Committee should consist of 3 or more Directors, out of which at least 1 Director shall be an independent Director. The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy and shall include the following activities to be carried out for implementing in the financial year:

- a) the list of CSR projects or programs that are approved to be undertaken in areas or subjects as specified in the Act and rules made thereunder;
- b) the manner of execution of such projects or programs as specified in the Act and rules made thereunder;
- c) the modalities of utilization of funds and implementation schedules for the projects or programs;
- d) monitoring and reporting mechanism for the projects or programs; and
- e) details of need and impact assessment, if any, for the projects undertaken by the Company;

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

The Board's Report has disclosed the composition of the Corporate Social Responsibility Committee.

### CSR Policy:

The CSR Policy of the Company is available on the website of the Company at [www.shilchar.com](http://www.shilchar.com).

## 11. DISCLOSURE AND PUBLICATION

A summary of this policy shall be disclosed in the Corporate Governance Report of the Annual Report of Company.

The aforesaid Policy has been re-affirmed and adopted by the Board of Directors in their Meeting held on 4<sup>th</sup> June, 2021.

## 12. MEETING OF INDEPENDENT DIRECTORS

The Company has complied with the definition of Independence as per Listing Regulations and according to the Provisions of Section 149(6) Companies Act, 2013. The Company has also obtained declarations from all the Independent Directors pursuant to Section 149(7) of the Companies Act, 2013.

### Training of Independent Directors:

Whenever new Non-Executive and Independent Directors are inducted in the Board they are introduced to our Company's culture and they are also introduced to Company's organization structure, business, constitution, board procedures, major risks and management strategy. The appointment letters of Independent Directors have been placed on the Company's website at [www.shilchar.com](http://www.shilchar.com) under investors/policy documents/independent directors' letters link.

### Performance Evaluation of Non-Executive and Independent Directors:

The Board has done evaluating the performance of Non-Executive and Independent Directors for the financial year ended on 31<sup>st</sup> March, 2024. All the Non-Executive and Independent Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

### Separate Meeting of the Independent Directors:

A meeting of the Independent Directors was held on 5<sup>th</sup> February, 2024 during the current financial year without the attendance of Non-Independent Directors and members of Management for:

- I) reviewing the performance of Non-Independent Directors and the Board as a whole;
- II) Reviewing the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- III) Assessing the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Independent Directors viz., Mr. Mukesh D. Patel, Ms. Reshmaben Patel and Mr. Zarksis Parabia, Mr. Rajesh Verma were present at the above meeting.

### 13. STAKEHOLDER'S RELATIONSHIP COMMITTEE

As on 31<sup>st</sup> March, 2024, the Stakeholder's Relationship Committee comprised of Mr. Mukesh D. Patel Chairman, Mrs. Reshmaben Patel, Mr. Zarksis J Parabia and Mr. Rakesh Dhanraj Bansal w.e.f 6<sup>th</sup> February, 2024 Ms. Mauli Rushil Mehta, Compliance Officer is the Secretary of the Committee.

#### (a) Terms of Reference:

The Committee focuses primarily on monitoring expeditious redressal of investors/stakeholder's grievances.

#### (b) The Composition of the Stakeholder's Relationship Committee as at 31<sup>st</sup> March, 2024 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Attendance at Stakeholder's Relationship Committee held on				% of Attendance
		29/04/2023	29/07/2023	21/10/2023	05/02/2024	
Mr. Mukesh D. Patel (upto 6 <sup>th</sup> February, 2024)	Independent Director	✓	✓	✓	✓	100
Mr. Zarksis Parabia	Independent Director	-	✓	✓	✓	75
Mrs. Reshmaben Patel	Independent Director	✓	✓	✓	✓	100

Company Secretary is a Compliance Officer of the Company and regularly interacting with Registrar & Transfer Agent to ensure that the complaints/grievances of the shareholders are attended promptly until the same is/are resolved to the satisfaction of the shareholders.

The Chairman of the SRC was present in the last Annual General Meeting to answer the shareholders queries. Company Secretary acts as the Secretary to the Committee.

#### (c) The status on the total number of complaints during the financial years are as follows:

Sr. No.	Nature of Complaints	2023-24		2022-23	
		Received	Answered	Received	Answered
1.	Non-receipt of Shares lodged for Demat	NIL	NIL	NIL	NIL
2.	Non-receipt of Dividend Warrants	NIL	NIL	NIL	NIL
3.	Others	NIL	NIL	NIL	NIL

### 14. GENERAL BODY MEETINGS

#### Annual General Meeting:

Year	Date	Venue	Time	Special Resolution(s)
2020-21	14/08/2021	AGM held Through Video Conference Hence Deemed Venue is Registered office of the Company: Shilchar Technologies Limited Bil Road, Bil 391 410 District: Vadodara	10.00 a.m.	-
2021-22	08/08/2022	AGM held Through Video Conference Hence Deemed Venue is Registered office of the Company: Shilchar Technologies Limited Bil Road, Bil 391 410 District: Vadodara	11.00 a.m.	Re-appointment of Mr. Alay Jitendra Shah as Managing Director of the Company.  Re-appointment of Mr. Aashay Alay Shah as Whole-Time Director of the Company.

Year	Date	Venue	Time	Special Resolution(s)
2022-23	25/08/2023	AGM held Through Video Conference Hence Deemed Venue is Registered Office of the Company: Shilchar Technologies Limited Bil Road, Bil 391 410 District: Vadodara	11.00 a.m.	1) Approval of commission to Mr. Alay Jitendra Shah (DIN: 00263538) as Managing Director of the Company. 2) Approval of managerial remuneration of Mr. Alay Jitendra Shah (DIN: 00263538) as Managing Director of the Company. 3) Shifting of Registered Office of the Company.

No Extra-Ordinary General Meeting was held during the financial year 2023-24.

#### Postal Ballot:

Pursuant to the provisions of Section 110 of the Companies Act, 2013, the Company has passed the following special Resolutions passed through Postal Ballot on 17<sup>th</sup> March, 2024:

1. Appointment of Mr. Rakesh Dhanraj Bansal (DIN: 00002179), as Non-Executive Independent Director.
2. Approval for Increasing the Limit of Investment by Non-Resident Indian or Overseas Citizen of India In the Share Capital of The Company.
3. Approval for Continuation to Hold Office of Mr. Mukesh D Patel, Non-Executive Independent Director of the Company till his Current Tenure of Appointment.

## 15. OTHER DISCLOSURE

### (I) Disclosures on materially significant related party transactions that may have potential conflict with the interest of Company at large:

All transactions entered into with related parties as defined under the Act, and Regulation 23 of the Listing Regulations during FY 2023-24 were in the ordinary course of business and on arm's length pricing basis and therefore no approval of the Board of Directors/ Shareholders is applicable under the provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the financial year 2023-24 which were in conflict with the interest of Company. Suitable disclosures as required by Indian Accounting Standards (Ind AS 24) have been made in the notes to the Financial Statements. There was no transaction of a material nature with any of the related parties which was in conflict with the interest of the Company.

In terms of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Company is complying with the relevant Accounting Standards with reference to Related Party Disclosures. Further, the

Company does not have any holding/subsidiary and associate Company and hence disclosure requirement under Para A.2 of Schedule V of the Regulations are not applicable. Policy dealing with related party transaction can be accessed at [www.shilchar.com](http://www.shilchar.com).

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

- a. number of complaints filed during the financial year: NIL
- b. number of complaints disposed of during the financial year: NIL
- c. number of complaints pending as on end of the financial year: NIL

### (iii) Cases of Non-Compliance:

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

### (iv) Whistle Blower Policy/Vigil Mechanism:

The Company has designed Whistle Blower Policy/ Vigil Mechanism to enable any person dealing with the Company to raise the alarm to the Audit Committee of the Company if he has reliable information about a malpractice, unethical practice, impropriety, abuse or financial wrongdoing. The disclosure will be thoroughly investigated by the Committee. The members of the Committee may seek information from any sources inside and outside the organization to investigate t as deemed fit.

Vigil Mechanism/Whistle Blower Policy is uploaded on the Company's website [www.shilchar.com](http://www.shilchar.com) and during the year under review, no personnel have been denied access to the Audit Committee.

## 16. MEANS OF COMMUNICATION

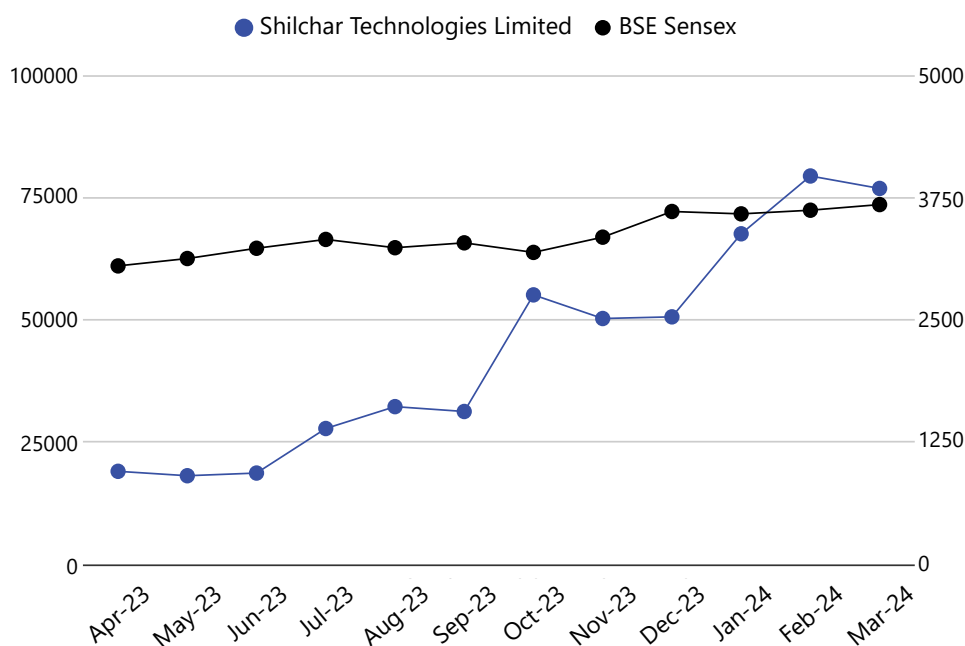
(a) Half – yearly report sent to each household of shareholders	:	No, as the results of the Company are published in the Newspapers.
(b) Quarterly results Newspapers in which results are normally published in	:	English and Gujarati newspapers
Any website, where displayed	:	<a href="http://www.shilchar.com">www.shilchar.com</a>
Whether it also displays official news releases	:	Yes
The presentations made to institutional investors or to the analysts	:	NIL

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.

## 17. GENERAL SHAREHOLDER INFORMATION

(a) 38 <sup>th</sup> AGM Date, Time and Venue	:	Monday, 12 <sup>th</sup> August, 2024 at 11.00 a.m. at <b>Shilchar Technologies Limited</b> , Near Muval Sub Station, Padra Jambusar Highway, Gavasad, Vadodara, Gujarat, India - 391430																																																				
(b) Financial calendar	:	<ul style="list-style-type: none"> <li>i. April 2024 to March 2025</li> <li>ii. First Quarter 2024 Results – on or before 30<sup>th</sup> June, 2024</li> <li>iii. Second Quarter/Half yearly Results 2024 – on or before 15<sup>th</sup> November, 2024</li> <li>iv. Third Quarter 2024 Results – on or before 15<sup>th</sup> February, 2025</li> <li>v. Audited Results for the Fourth Quarter/Year ending 31<sup>st</sup> March 2025, - on or before 31<sup>st</sup> May, 2025</li> </ul>																																																				
(c) Date of Book closure	:	3 <sup>rd</sup> August, 2024 to 12 <sup>th</sup> August, 2024 (both days inclusive)																																																				
(d) Dividend Payment date	:	On or after 30 <sup>th</sup> August, 2024 if declared at Annual General Meeting on 12 <sup>th</sup> August, 2024																																																				
(e) Listing on Stock Exchange	:	BSE Limited. The Company has paid Listing Fees for the period 1 <sup>st</sup> April, 2024 to 31 <sup>st</sup> March, 2025 to BSE Limited																																																				
(f) (i) Stock Code – Physical	:	531201																																																				
(ii) Demat ISIN Number for NSDL & CDSL	:	INE 024F01011																																																				
(g) Market price Date: High, Low during each month in last Financial year	:	The High/Low market price of the shares during the year 2023-24 at the Bombay Stock Exchange were as under (₹)																																																				
		<table border="1"> <thead> <tr> <th>Month</th> <th>High</th> <th>Low</th> <th>Close</th> </tr> </thead> <tbody> <tr> <td>April 23</td> <td>1,968.00</td> <td>1,500.00</td> <td>1,910.90</td> </tr> <tr> <td>May 23</td> <td>2,250.00</td> <td>1,775.00</td> <td>1,820.60</td> </tr> <tr> <td>June 23</td> <td>1,950.00</td> <td>1,712.00</td> <td>1,875.25</td> </tr> <tr> <td>July 23</td> <td>2,859.70</td> <td>1,790.00</td> <td>2,786.20</td> </tr> <tr> <td>August 23</td> <td>3,437.00</td> <td>2,333.30</td> <td>3,233.40</td> </tr> <tr> <td>September 23</td> <td>3,349.00</td> <td>1,388.05</td> <td>1,567.05</td> </tr> <tr> <td>October 23</td> <td>2,888.00</td> <td>1,567.05</td> <td>2,759.40</td> </tr> <tr> <td>November 23</td> <td>2,899.00</td> <td>2,253.55</td> <td>2,517.75</td> </tr> <tr> <td>December 23</td> <td>2,644.90</td> <td>2,211.10</td> <td>2,534.75</td> </tr> <tr> <td>January 24</td> <td>3,597.00</td> <td>2,540.00</td> <td>3,383.90</td> </tr> <tr> <td>February 24</td> <td>4,430.00</td> <td>3,383.85</td> <td>3,974.95</td> </tr> <tr> <td>March 24</td> <td>4,514.00</td> <td>3,454.30</td> <td>3,847.55</td> </tr> </tbody> </table>	Month	High	Low	Close	April 23	1,968.00	1,500.00	1,910.90	May 23	2,250.00	1,775.00	1,820.60	June 23	1,950.00	1,712.00	1,875.25	July 23	2,859.70	1,790.00	2,786.20	August 23	3,437.00	2,333.30	3,233.40	September 23	3,349.00	1,388.05	1,567.05	October 23	2,888.00	1,567.05	2,759.40	November 23	2,899.00	2,253.55	2,517.75	December 23	2,644.90	2,211.10	2,534.75	January 24	3,597.00	2,540.00	3,383.90	February 24	4,430.00	3,383.85	3,974.95	March 24	4,514.00	3,454.30	3,847.55
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## (h) Stock Performance in comparison to Broad-based indices BSE Sensex



(i) Registrar and Transfer Agents : M/s. MCS Share Transfer Agent Limited  
 CIN: U67120WB2011PLC165872  
 Administrative Office:  
 1<sup>st</sup> Floor, Neelam Apartment,  
 88, Sampatrao Colony,  
 Above Chappanbhog Sweet,  
 Alkapuri, Vadodara - 390 007  
 Gujarat.  
 Ph. No.: 231 4757, 2350490  
 E-mail ID: [mcsltbaroda@gmail.com](mailto:mcsltbaroda@gmail.com)

(j) Share Transfer System : All the transfer and transmission requests are processed on fortnightly basis by MCS Share Transfer Agent Limited, being the Registrar & Transfer Agent (RTA). To facilitate prompt services, the RTA is also authorized to approve the transfers and dispatch the share certificates within stipulated time frame.

**Distribution of Shareholdings as on 31<sup>st</sup> March, 2024:**

Number of Shares held	Shareholders		Nos. of Shares	
	Holder	% to Total	Number	%
Up to 500	15590	97.3523	572382	7.5049
501 to 1000	200	1.2489	149139	1.9555
1001 to 2000	120	0.7493	169908	2.2278
2001 to 3000	30	0.1873	74169	0.9725
3001 to 4000	18	0.1124	65482	0.8586
4001 to 5000	13	0.0812	58174	0.7628
5001 to 10000	12	0.0749	80608	1.0569
10001 to 50000	19	0.1186	380272	4.9860
50001 to 100000	4	0.0250	258098	3.3841
And Above	8	0.0500	5818568	76.2911
<b>Total</b>	<b>16014</b>	<b>100.00</b>	<b>7626800</b>	<b>100.00</b>

(l) Dematerialization of Shares and liquidity	:	99.83% of the paid-up capital has been dematerialized as on 31 <sup>st</sup> March, 2024.
(m) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity.	:	The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.
(n) Commodity price risk or foreign exchange risk and hedging activities	:	N.A.
(o) Plant Locations	:	The Company's plants are located at Near Muval Sub Station, Padra Jambusar Highway, Gavasad , Vadodara, Gujarat, India - 391430.
(p) Address for correspondence	:	<ul style="list-style-type: none"> <li>i. Shareholders correspondence should be addressed to either at Registered Office of the Company or at the address of RTA M/s. MCS Share Transfer Agent Limited given as above.</li> <li>ii. Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant.</li> </ul>

**18.** The Company has adopted and been complying with the discretionary requirements as per Regulation 27(1) and Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has displayed all applicable policies at its website at [www.shilchar.com](http://www.shilchar.com).

**19.** The Company has been complying with the corporate governance requirements specified in Regulation 17 to 27 of the Regulations and Website disclosures as envisaged in clause (b) to (i) of Regulation 46(2) of the Regulations.

## 20. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Chairman and secretary of the Company used to familiarize the independent Directors of the Company, their roles, rights, responsibilities, nature of industry, compliance procedures & checkpoints etc., from time to time and details of which has been posted on Company's Website.

## 21. TOTAL FEES PAID BY THE COMPANY TO M/S. CNK & ASSOCIATES LLP AS REMUNERATION OF STATUTORY AUDITORS IS A BELOW

Sr. No.	Particulars	Amount (₹ in Lakhs)
1.	Statutory Audit Fees	3.20
2.	Other Services	1.32
3.	Re-imbusement of Expenses	NIL

### Declaration/Certification:

#### a. Code of Conduct:

The Board has laid down a Code of Conduct applicable to all the Directors and senior management of the Company. Necessary certification to this effect is appended to this Corporate Governance Report.

#### b. CEO & CFO Certification:

As per requirements of Corporate Governance Code, Mr. Alay J. Shah, Managing Director and Mr. Prajesh Purohit, Chief Financial Officer has jointly furnished the necessary Certificate to the Board of Directors with respect to financial statements and cash flow statements for the year ended 31<sup>st</sup> March, 2024. The said certificate is annexed herewith.



## **CERTIFICATE UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,  
The Board of Directors  
**Shilchar Technologies Limited**,  
Near Muval Sub Station,  
Padra Jambusar Highway, Gavasad,  
Vadodara, Gujarat, India - 391430.

Dear Sirs,

We, Alay J. Shah, Managing Director and Prajesh P. Purohit, CFO of **Shilchar Technologies Limited** (the Company), hereby report that during the fourth quarter ended on 31<sup>st</sup> March, 2024:

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

For **Shilchar Technologies Limited**

**Place:** Gavasd, District Vadodara  
**Date:** 30<sup>th</sup> April, 2024

**Alay Jitendra Shah**  
Managing Director

**Prajesh Purohit**  
CFO

## DECLARATION REGARDING COMPLIANCE WITH CODE OF CONDUCT

[Pursuant to Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members of  
**Shilchar Technologies Limited**

In terms of Part D of the Schedule V read with Regulation 34(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, I hereby declare that all Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended 31<sup>st</sup> March, 2024.

**Place:** Gavasd, District Vadodara  
**Date:** 30<sup>th</sup> April, 2024

**Alay Jitendra Shah**  
Managing Director  
DIN: 00263538

## CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To,  
The Members of  
**Shilchar Technologies Limited**

We have examined the compliance of the conditions of Corporate Governance by “**Shilchar Technologies Limited**” (hereinafter referred to as the Company), for the financial year ended on 31<sup>st</sup> March, 2024 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations during the financial year 2023-2024.

We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2024, no investor grievance is pending against the Company, as per the records maintained by the Company and presented to the Stakeholders Relationship Committee.

It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

Sd/-

**Bhautik Kanasagara**

ACS No.: 60290; CP No.: 23136

UDIN: A060290F000281005

PR No.: 3274/2023

**Place:** Vadodara

**Date:** 30<sup>th</sup> April, 2024

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L29308GJ1986PLC008387
2.	Name of the Listed Entity	Shilchar Technologies Limited
3.	Year of incorporation	1986
4.	Registered office address	Near Muval Sub Station, Padra Jambusar Highway, Gavasad, Vadodara, Gujarat, India - 391430
5.	Corporate address	Shilchar Technologies Limited, Bil Road, Bil - 391410, Vadodara, Gujarat, India
6.	E-mail ID	<a href="mailto:ppurohit@shilchar.com">ppurohit@shilchar.com</a>
7.	Telephone	+91 7624090901/2
8.	Website	<a href="https://shilchar.com/">https://shilchar.com/</a>
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE)
11.	Paid-up Capital	₹ 7,62,68,000/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	
a.	Name of Responsible Person	Mr. Alay Shah
b.	Designation of Responsible Person	Managing Director
c.	E-mail ID	<a href="mailto:ppurohit@shilchar.com">ppurohit@shilchar.com</a>
d.	Contact Number-Mobile/Telephone/Landline	+91 9924448207
13.	Reporting boundary	Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together): Standalone Basis
14.	Name of assurance provider	N.A.
15.	Type of assurance obtained	N.A.

### II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Electricity, gas, steam and air condition supply	Electric power generation, transmission and distribution	100

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Power & Distribution Transformers	27102	100%

### III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2	-	2
International	-	-	-

## 19. Markets served by the entity:

## a. Number of Locations:

Locations	Number
National (No. of States)	22
International (No. of Countries)	22

## b. What is the contribution of exports as a percentage of the total turnover of the entity? 50%

## c. A brief on types of customers:

We serve customers National and internationally catering to diverse industry segments such as Private Utility Companies, Renewable Energy Solar, Wind & Hydel, Cement, Sugar, Steel & Hydrocarbon Industries, Large Scale EPC Contractor, Corporate, Client, Power Plant Developers.

## IV. Employees

## 20. Details as at the end of Financial Year:

## a. Employees and Workers (including differently abled):

Sr. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Employees</b>						
1	Permanent (D)	81	79	97.53	2	2.47
2	Other than Permanent (E)	24	23	95.83	1	4.17
<b>3</b>	<b>Total employees (D + E)</b>	<b>105</b>	<b>102</b>	<b>96.68</b>	<b>3</b>	<b>3.32</b>
<b>Workers</b>						
4	Permanent (F)	22	19	86.36	3	13.64
5	Other than Permanent (G)	253	240	94.86	13	5.14
<b>6</b>	<b>Total workers (F + G)</b>	<b>275</b>	<b>259</b>	<b>90.61</b>	<b>16</b>	<b>9.39</b>

## b. Differently abled Employees and Workers:

Sr. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Employees</b>						
1	Permanent (D)	81	1	1.23	-	-
2	Other than Permanent (E)	24	-	-	-	-
<b>3</b>	<b>Total Differently abled employees (D + E)</b>	<b>105</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Workers</b>						
4	Permanent (F)	22	1	4.55	-	-
5	Other than Permanent (G)	253	2	0.79	-	-
<b>6</b>	<b>Total Differently abled workers (F + G)</b>	<b>275</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 21. Participation/Inclusion/Representation of women:

	Total	No. and percentage of Females	
	(A)	No. (B)	% (B/A)
Board of Directors	6	1	16.67
Key Management Personnel	2	1	50

## 22. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

	Turnover rate in FY 2023-24			Turnover rate in FY 2022-23			Turnover rate in FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	25.56	50	75.56	12.9	-	12.9	17.2	-	17.2
Permanent Workers	-	-	-	-	-	-	-	-	-

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

## 23. (a) Names of holding/subsidiary/associate companies/joint ventures

Sr. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
Not Applicable				

## VI. CSR Details

24. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹): 3,96,87,82,000/-

(iii) Net worth (in ₹): 2,09,58,82,000/-

## VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Current Financial Year			Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities		No	No	N.A.	No	No	N.A.
Investors (other than shareholders)		1	1	N.A.	No	No	N.A.
Shareholders	<a href="https://shilchar.com/power/investors-desk">https://shilchar.com/power/investors-desk</a>	No	No	N.A.	No	No	N.A.
Employees and workers		No	No	N.A.	No	No	N.A.
Customers		No	No	N.A.	No	No	N.A.
Value Chain Partners		No	No	N.A.	No	No	N.A.
Other (please specify)		No	No	N.A.	No	No	N.A.

## 26. Overview of the entity's material responsible business conduct issues:

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Flammable Material Spillage/Fire	Risk	Flammable chemicals used in the unit. Leak can take place from Drum, it is vulnerable to any spark, flame-ignition. An accidental rise in temperature during process or static electricity may also lead to fire.	Flame proof electric fittings in the plant and all electrical equipment's, pump set, motors, switches, are of spark-ignition proof and firmly earthed to prevent static electricity. Sand is kept nearby tanks. A wide range	Negative Impact

26. Overview of the entity’s material responsible business conduct issues: (contd.)

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				of fire extinguishing equipment’s is available in the warehouse area to extinguish any fire.	
2	Employee Wellbeing labor conditions	Opportunity	The Company views its employees as family members and takes a keen interest in understanding their concerns and expectations to ensure their well-being.	N.A.	Positive Impact
3	Climate change and carbon neutrality	Opportunity	Energy efficiency, increased use of renewable energy sources, and efficient water usage.	N.A.	Positive Impact
4	Health and Safety	Risk	Managing safety and health is a top priority. Continuous risk assessment is conducted, followed by measures to effectively control risks, ensuring the safety and well-being of employees.	To mitigate risk, we strictly adhere to the rules and procedures outlined by our stringent health and safety management systems. We regularly conduct training sessions to raise awareness about safe working conditions.	Negative Impact

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This Section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity’s policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	<a href="https://shilchar.com/power/investors-desk">https://shilchar.com/power/investors-desk</a>								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 14001 for Environment Management System 45001 2018 for Occupational Health and Safety 9001 5 for Quality Management System								

5. Specific commitments, goals and targets set by the entity with defined timelines, if any.
- The Company strives towards its mission and vision of working towards the strive for innovation for total customer satisfaction, To maintain transparency in our work and a high level of integrity and To achieve our objectives in an environment of fairness, honesty and integrity towards our customers, employees, vendors and the society in which we operate.
- As firm believers of total customer satisfaction, we constantly re-invent our processes and products. We strive towards the benefit of our Company and all our stake holders. We have sufficient space to increase and make a facility for 220 KV class transformers in the future.
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.
- Key Performance targets are set internally and monitored and acted upon continuously. The Company diligently oversees the progress.

### Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).

At Shilchar, the Company's Environmental, Social, and Governance (ESG) strategies are diligently reviewed and advanced during CSR Committee meetings. In an effort to minimize its carbon footprint, Shilchar has implemented significant measures to reduce electricity consumption and water usage. These environmental initiatives reflect the Company's commitment to sustainability.

Beyond environmental stewardship, Shilchar is deeply invested in community development. Through a variety of CSR initiatives, the Company actively supports and uplifts local communities, demonstrating its dedication to social responsibility.

Furthermore, Shilchar places a high priority on the well-being of its employees. The Company leads in fostering a supportive and engaging work environment, recognizing that employee engagement is crucial to overall well-being and organizational success. Through these comprehensive efforts, Shilchar underscores its commitment to responsible business practices and sustainable growth.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).
- Mr. Alay Jitendra Shah
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.
- The Board of Directors of the Company has constituted a Corporate Social Responsibility Committee comprising of following directors:
- Mr. Alay Jitendra Shah  
Mr. Mukesh Dahyabhai Patel  
Mr. Zarksis Jahangir Parabia

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	N	Y	Y
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	N	Y	Y
Frequency (Annual/Half yearly/Quarterly/Any other-please specify)	As & when required								
	P1	P2	P3	P4	P5	P6	P7	P8	P9

11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.
- No



12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy,

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)						N.A.			
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This Section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Sr. No.	NGBRC Principles
1.	Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.
2.	Businesses should provide goods and services in a manner that is sustainable and safe.
3.	Businesses should respect and promote the well-being of all employees, including those in their value chains.
4.	Businesses should respect the interests of and be responsive to all its stakeholders.
5.	Businesses should respect and promote human rights.
6.	Businesses should respect and make efforts to protect and restore the environment.
7.	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
8.	Businesses should promote inclusive growth and equitable development.
9.	Businesses should engage with and provide value to their consumers in a responsible manner.

### PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.

#### Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	Leadership Skill, 5S Awareness, ISO Awareness, Sustainability	100
Key Managerial Personnel	4	Leadership Skill, 5S Awareness, ISO Awareness, Sustainability	100
Employees other than BOD and KMPs	31	Fire & Safety, Safety During Testing activities, Discipline at Workplace, Production & Time Management, Leadership Skill, 5S Awareness, ISO Awareness	100
Workers	8	Safety During Testing activities, 5S Awareness & ISO Awareness	100

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	-	N.A.	N.A.	N.A.	No
Settlement	-	N.A.	N.A.	N.A.	No
Compounding Fee	-	N.A.	N.A.	N.A.	No
Non-Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions		Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	N.A.		N.A.	No
Punishment	-	N.A.		N.A.	No

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:

The Company upholds an anti-corruption and anti-bribery policy, which outlines a comprehensive framework of principles and standards reflecting our organizational goals and values. This policy serves as a cornerstone for conducting business with integrity and trustworthiness, effectively combating corrupt practices.

Our Company maintains a strict zero-tolerance stance towards bribery and fraud, bolstered by the implementation of a robust Whistleblower Policy. This policy serves as a vital safeguard, empowering our employees to raise concerns regarding unethical conduct or any instances of suspected fraud.

Our Company gift policy is a no-gift policy. To avoid a conflict of interest, the appearance of a conflict of interest, or the need for our employees to examine the ethics of acceptance, our Company, and its employees do not accept gifts from vendors, suppliers, customers, potential employees, potential vendors or suppliers, or any other individual or organization, under any circumstances.

Weblink: <https://shilchar.com/power/investors-desk>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY (Current Financial Year)	FY (Previous Financial Year)
Directors	NIL	NIL
KMP's		
Employees		
Workers		

**6. Details of complaints with regard to conflict of interest:**

	FY (Current Financial Year)		FY (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	N.A.	NIL	N.A.
Number of complaints received in relation to issues of Conflict of Interest of the KMP's	NIL	N.A.	NIL	N.A.

**7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest:**

NIL

**8. Number of days of accounts payables ((Accounts payable \*365)/Cost of goods/services procured) in the following format:**

	FY (Current Financial Year)	FY (Previous Financial Year)
Number of days of accounts payables	88	81

**9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	N.A.	N.A.
	b. Number of trading houses where purchases are made from	N.A.	N.A.
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	N.A.	N.A.
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	N.A.	N.A.
	b. Number of dealers/distributors to whom sales are made	N.A.	N.A.
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	N.A.	N.A.
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	N.A.	N.A.
	b. Sales (Sales to related parties/Total Sales)	0.76%	0.49%
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	N.A.	N.A.
	d. Investments (Investments in related parties/ Total Investments made)	N.A.	N.A.

**Leadership Indicators****1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programmes held	Topics/principles covered under the training	% age of value chain partners covered under the partners covered (by value of business done with such partners) under the awareness programmes
-	-	-

**2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same:**

Yes, the Company have a policy on the conflict of Interest is available on the website of the Company.

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.****Essential Indicators**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	NIL	NIL	N.A.
Capex	NIL	NIL	N.A.

2. a. Does the entity have procedures in place for sustainable sourcing?

No, No formal sustainable sourcing process presently in place. Formulations of sustainable sourcing framework and progress will be reported in the upcoming year.

b. If yes, what percentage of inputs were sourced sustainably: Not Applicable

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste:

Not Applicable. Being a transformer manufacturing Company, there is no scope for reclaiming products for further processing.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities:

Not applicable, presently there is no such requirements applicable to US and no process framework or plan is available. Review of the applicability and the process of establishing the EPR is presently under progress.

If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

**Leadership Indicators**

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format? Not Available

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicate d in public domain (Yes/No) If yes, provide the web-link
-	-	-	-	-	-

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same. No Issues Identified:

Name of Product/Service	Description of the risk/concern	Action Taken
-	-	-

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry). Not applicable as there is a little scope of recycled in the transformer manufacturing:

Indicate input material	Recycled or re-used input material to total material	
	FY (2023-24)	FY (2022-23)
-	-	-

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format: Not Applicable

	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:

Indicate product category	Reclaimed products and their packaging materials as Percentage of total products sold in respective category
NIL	NIL

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.**

#### Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		No. (B)	% (B/A)	No. C	% (C/A)	No. (D)	% (D/A)	No. E	% (E/A)	No. (F)	% (F/A)
<b>Permanent Employees</b>											
Male	79	19	24.05	79	100	-	-	79	100		
Female	2	2	100.00	2	100	2	100	-	-		N.A.
<b>Total</b>	<b>81</b>	<b>21</b>	<b>25.93</b>	<b>81</b>	<b>100</b>	<b>2</b>	<b>2.47</b>	<b>79</b>	<b>97.53</b>		
<b>Other Than Permanent Employees</b>											
Male	23	-	-	23	100	-	-	23	100		
Female	1	-	-	1	100	1	100	-	-		N.A.
<b>Total</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>24</b>	<b>100</b>	<b>1</b>	<b>4.17</b>	<b>23</b>	<b>95.83</b>		

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		No. (B)	% (B/A)	No. C	% (C/A)	No. (D)	% (D/A)	No. E	% (E/A)	No. (F)	% (F/A)
<b>Permanent Workers</b>											
Male	19	-	-	-	-	-	-	-	-		
Female	3	-	-	-	-	3	100	-	-		N.A.
<b>Total</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>13.64</b>	<b>-</b>	<b>-</b>		
<b>Other Than Permanent Workers</b>											
Male	240	-	-	-	-	-	-	-	-		
Female	13	-	-	-	-	13	100	-	-		N.A.
<b>Total</b>	<b>253</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>5.14</b>	<b>-</b>	<b>-</b>		

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Cost incurred on wellbeing measures as a % of total revenue of the Company	0.06	0.03

## 2. Details of retirement benefits, for Current Financial Year and Previous Financial Year:

Benefits	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	N.A.	100	100	N.A.
ESI	39	100	Y	32	100	Y
Others - please specify	-	-	-	-	-	-

3. Accessibility of workplaces: Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard: Yes

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:

<https://shilchar.com/power/investors-desk>

5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	-	-	-	-
<b>Total</b>	-	-	-	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

**Yes/No (If Yes, then give details of the mechanism in brief)**

Permanent Workers \_\_\_\_\_ Yes

Permanent Employees \_\_\_\_\_

Yes, the Company's Grievance Redressal Procedure is available to employees and workers. Employee who have any kind of dispute with other employee or colleague or HOD, he or she can file Grievance against them. The objective of the policy is to facilitate open and structured discussion on employees' work-related grievances with the intent of ensuring that the grievance is dealt with in a fair and just manner whilst being in compliance with the Company's policies. Employees are encouraged to first discuss the grievance with their immediate reporting authority, and attempt to arrive at a resolution before invoking a formal grievance redressal mechanism.

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	<b>81</b>			<b>74</b>		
Male	79		Not Applicable	71		Not Applicable
Female	2			3		

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Workers</b>	<b>22</b>			<b>22</b>		
Male	19		Not Applicable	19		Not Applicable
Female	3			3		

#### 8. Details of training given to employees and workers:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	79	29	36.71	40	50.63	71	48	67.61	53	74.65
Female	2	-	-	-	-	3	-	-	-	-
<b>Total</b>	<b>81</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Workers</b>										
Male	19	19	100	10	52.63	19	8	42.11	7	36.84
Female	3	3	100	-	-	3	-	-	-	-
<b>Total</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### 9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	79	79	100	71	71	100
Female	2	2	100	3	3	100
<b>Total</b>	<b>81</b>	<b>81</b>	<b>100</b>	<b>74</b>	<b>74</b>	<b>100</b>
<b>Workers</b>						
Male	19	19	100	19	19	100
Female	3	3	100	3	3	100
<b>Total</b>	<b>22</b>	<b>22</b>	<b>100</b>	<b>22</b>	<b>22</b>	<b>100</b>

#### 10. Health and safety management system:

##### a. Whether an occupational health and safety management system has been implemented by the entity?

Yes, Occupational health and safety management system has been implemented as per ISO 45001:2018 and certified. It covers the entire operations.

##### b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has in place systematic risk management process to identify and control all the hazards in production facilities and offices. The Company's risk management process is applied

through five steps and is the key driver for controlling the risk of EHS in business. All relevant stakeholders are involved in risk assessments and the risk management process, Risk Assessments & Safe Work Method Statement are developed and approved prior to starting any work activity. All identified risks and risk mitigation plans are required to be documented, approved and communicated to all relevant parties involved in the activity.

##### c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes, the Company has processes for workers to report work related hazards and to remove themselves from such risks.

*d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services?*

Yes, medical centres and first aid facilities are available for both employees and workers. All employees are covered by accident insurance and workers are covered by Employees' State Insurance.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

**12. Describe the measures taken by the entity to ensure a safe and healthy work place:**

The Company has in place systematic risk management process to identify and control all the hazards in production facilities and offices. As a part of the EHS Management system. We have established a robust Health, Safety, and Environment (HSE) management system in line with the ISO 14001 and 45001 standards, demonstrating our unwavering commitment to maintaining the highest standards of safety and health within our workplace. This EHS plan identifies the hazardous operations and the risks arising from such hazards which are within the scope of the work. It even specifies the required integrated preventive measures (Controls) to mitigate the same.

**13. Number of Complaints on the following made by employees and workers:**

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	NIL	NIL	NIL	NIL
Health & Safety	NIL	NIL	NIL	NIL	NIL	NIL

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	The Company internal team conduct assessment and cover 100% of all manufacturing unit and departments.
Working Condition	

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions:**

Through our proactive approach to incident analysis, corrective action deployment, and systematic recording, we strive to uphold the highest standards of safety and ensure the well-being of our employees and stakeholders.

**Leadership Indicators**

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N): Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners: Not Applicable



3. Provide the number of employees/workers having suffered high consequence work related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	NIL	NIL	NIL	NIL
Workers	NIL	NIL	NIL	NIL

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No): No

5. Details on assessment of value chain partners:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	N.A.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners: N.A.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.**

**Essential Indicators**

1. Describe the processes for identifying key stakeholder groups of the entity:

Cultivating meaningful engagement with stakeholders is imperative for our organization. By actively listening to their needs, collaborating to mitigate risks, upholding social legitimacy, enhancing credibility, and fostering trust, we aim to forge enduring relationships built on mutual respect and shared values.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Communities	No	Meetings	Annually	CSR Activities
Customers	No	E-mails/Meeting	Annually	Customer Satisfaction/ Feedback
Employees	No	Meeting/ Notice Board/Website	Half Yearly	Grievances/ Employees concern
Investors	No	E-mails	Annually	Meetings
Government and regulatory bodies	No	Meeting	Annually	Statutory Compliances
Vendors	No	Meetings/E-mail	Half Yearly	Negotiation and quality aspect
Lenders	No	Meetings/E-mail	Half Yearly	Modification for working capital facilities

### Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board:

The CSR committee looks into the matters related to the ESG. Further the CSR recommendation is provided to the Board of Directors in matters related to the ESG.

2. Whether stakeholder consultation is used to support the identification and management of environmental,

and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity:

No

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups:

The Company engages with different stakeholders through different channels like one to one meetings, email communications, Investor grievances, customers feedback etc.

### PRINCIPLE 5: Businesses should respect and promote human rights.

#### Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	81	39	48.15	74	30	40.54
Other than permanent	24	24	100.00	19	19	100.00
<b>Total Employees</b>	<b>105</b>	<b>63</b>	<b>60.00</b>	<b>93</b>	<b>49</b>	<b>52.69</b>
<b>Workers</b>						
Permanent	22	18	81.82	22	14	63.64
Other than permanent	275	60	21.82	225	45	20
<b>Total Workers</b>	<b>297</b>	<b>78</b>	<b>26.26</b>	<b>247</b>	<b>59</b>	<b>23.89</b>

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	<b>81</b>	-	-	<b>81</b>	<b>100</b>	<b>81</b>	-	-	<b>81</b>	<b>100</b>
Male	79	-	-	79	100	71	-	-	71	100
Female	2	-	-	2	100	3	-	-	3	100
<b>Other than Permanent</b>	<b>24</b>	-	-	<b>24</b>	<b>100</b>	<b>19</b>	-	-	<b>19</b>	<b>100</b>
Male	23	-	-	23	100	19	-	-	19	100
Female	1	-	-	1	100	-	-	-	-	-
<b>Workers</b>										
<b>Permanent</b>	<b>22</b>	-	-	<b>22</b>	<b>100</b>	<b>22</b>	-	-	<b>22</b>	<b>100</b>
Male	19	-	-	19	100	19	-	-	19	100
Female	3	-	-	3	100	3	-	-	3	100
<b>Other than Permanent</b>	<b>275</b>	<b>225</b>	<b>81.81</b>	<b>50</b>	<b>18.18</b>	<b>225</b>	<b>186</b>	<b>82.66</b>	<b>39</b>	<b>17.33</b>
Male	259	209	80.69	50	19.31	209	170	81.34	39	18.66
Female	16	16	100	-	-	16	16	100	-	-

### 3. Details of remuneration/salary/wages:

#### a. Median remuneration/wages:

Category	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
BOD	2	900000	-	-
KMP	1	118610	1	32000
Employees (Other than BOD/KMP)	79	37000	2	32000
Workers	19	16150	3	14950

#### b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Gross wages paid to females as % of total wages	1.12	1.25

### 4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes, Mr. Vishwas Desai (HR Head)

### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues:

We have very formal process to handling Grievance:

- Firstly you can resolve your problem by interference of Department Head.
- If no satisfactory solution is there you can file Grievance by writing simple application in your word and give it to HR department.
- HR department & HOD concern department jointly look it to matter and try to resolve conflict.
- M.D is involved if it is required in last stage if Employee is not satisfied with efforts of HR Department.

### 6. Number of Complaints on the following made by employees and workers:

Benefits	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	No	No	N.A.	No	No	N.A.
Discrimination at workplace	No	No	N.A.	No	No	N.A.
Child Labour	No	No	N.A.	No	No	N.A.
Forced Labour/ Involuntary Labour	No	No	N.A.	No	No	N.A.
Wages	No	No	N.A.	No	No	N.A.
Other human rights related issues	No	No	N.A.	No	No	N.A.

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	<b>FY 2023-24</b>	<b>FY 2022-23</b>
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	NIL
Complaints on POSH as a % of female employees/workers	NIL	NIL
Complaints on POSH upheld	NIL	NIL

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:**

The Company is dedicated to fostering a workplace environment that is devoid of harassment, including sexual harassment. We maintain a zero-tolerance policy towards any form of unacceptable behavior. Our Company actively promotes the reporting of any concerns regarding harassment and promptly addresses complaints related to harassment or any unwelcome and offensive conduct. We have established committees to investigate complaints of sexual harassment thoroughly and to suggest necessary actions as deemed appropriate.

Through Whistle Blower Policy, Any person intending to make any disclosure of a Concern is required to disclose all relevant information regarding the Concern in a signed written document/Email/SMS or Telephone, Fax of any other method, but not later than six months of the day on which he/she knew of the Concern.

**9. Do human rights requirements form part of your business agreements and contracts? Yes**

**10. Assessments for the year:**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour	
Forced/involuntary labour	
Sexual harassment	No
Discrimination at workplace	
Wages	

**11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above:**

The Company has implemented Human Rights Policies applicable to all employees and partners in our value chain. These policies ensure adherence to laws and uphold the spirit of human rights, fostering a culture of respect, fairness, and ethical conduct throughout our operations.

**Leadership Indicators**

**1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints:** No Issues identified.

**2. Details of the scope and coverage of any Human rights due-diligence conducted:** Internal team takes human rights areas voluntarily through inter department.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016? Yes**

**4. Details on assessment of value chain partners:**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour	
Forced/involuntary labour	
Sexual harassment	NIL
Discrimination at workplace	
Wages	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.**

**Essential Indicators**

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total electricity consumption (A)	6477	3734
Total fuel consumption (B)	121	78
Energy consumption through other sources (C)	-	-
<b>Total energy consumption (A+B+C)</b>	<b>6598</b>	<b>3812</b>
Energy intensity per rupee of turnover (Total energy consumption/turnover in (cr) rupees)	17	14
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? Not Applicable

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:

The Company does not have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	732	730
(iii) Third party water	-	-
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	732	730
<b>Total volume of water consumption (in kilolitres)</b>	<b>1.84(kl/cr)</b>	<b>2.60(KL/Cr)</b>
Water intensity per rupee of turnover (Water consumed/ turnover(cr))	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? Not Applicable

4. Provide the following details related to water discharged:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
(i) To Surface water		
No treatment	732	730
With treatment – please specify level of treatment	In soak pit as per guidelines	In soak pit as per guidelines
(ii) To Groundwater		
No treatment	-	-
With treatment – please specify level of treatment	-	-

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
(iii) To Seawater	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
Others	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency? Not Applicable

**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:**

The Company has implemented a mechanism of Zero Liquid Discharge in both manufacturing units and office.

**6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	gm	73.35	47.01
SOx	gm	54.49	34.92
Particulate matter (PM)	gm	159.15	147.31
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others - please specify	-	-	-

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? Not Applicable.

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	12.79	9.27
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	445.74	742.72
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>	Metric tonnes of CO <sub>2</sub> Equivalent Per Crore	1.16	2.68
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity	-	-	-

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? Not Applicable.

**8. Does the entity have any project related to reducing Green House Gas emission:**

Yes, we are actively reducing our Green House Gas emission by installing solar and windmills. These projects have reduced our greenhouse gas intensity by 57%.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	N.A.	N.A.
E-waste (B)	N.A.	N.A.
Bio-medical waste (C)	N.A.	N.A.
Construction and demolition waste (D)	N.A.	N.A.
Battery waste (E)	N.A.	N.A.
Radioactive waste (F)	N.A.	N.A.
Other Hazardous waste. Please specify, if any. (G)	N.A.	N.A.
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	N.A.	N.A.
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>N.A.</b>	<b>N.A.</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>	<b>N.A.</b>	<b>N.A.</b>
(i) Recycled	N.A.	N.A.
(ii) Re-used	N.A.	N.A.
(iii) Other recovery operations	N.A.	N.A.
<b>Total</b>		
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>	<b>N.A.</b>	<b>N.A.</b>
(i) Incineration	N.A.	N.A.
(ii) Landfilling	N.A.	N.A.
(iii) Other disposal operations	N.A.	N.A.
<b>Total</b>	<b>N.A.</b>	<b>N.A.</b>

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? Not Applicable.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes:

We are in manufacturing of transformers where the generation of hazardous is relatively low. The Hazardous waste generated during the year is also very less in quantity. Hence there is a negligible scope of reducing the Hazardous waste still we will look forward to improvement.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of Operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N)
N.A.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
N.A.					

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sr. No.	Specify the law/regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
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The Company is compliant with all the regulations applicable to the Company.

### Leadership Indicators

#### 1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area: N.A.

(ii) Nature of operations: N.A.

(iii) Water withdrawal, consumption and discharge in the following format: N.A.

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	N.A.	N.A.
(ii) Groundwater	N.A.	N.A.
(iii) Third party water	N.A.	N.A.
(iv) Seawater/desalinated water	N.A.	N.A.
(v) Others	N.A.	N.A.
Total volume of water withdrawal (in kilolitres)	N.A.	N.A.
Total volume of water consumption (in kilolitres)	N.A.	N.A.
Water intensity per rupee of turnover (Water consumed/turnover)	N.A.	N.A.
Water intensity (optional) – the relevant metric may be selected by the entity	N.A.	N.A.
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	N.A.	N.A.
No treatment	N.A.	N.A.
With treatment – please specify level of treatment	N.A.	N.A.
(ii) To Groundwater	N.A.	N.A.
No treatment	N.A.	N.A.
With treatment – please specify level of treatment	N.A.	N.A.
(iii) To Seawater	N.A.	N.A.
No treatment	N.A.	N.A.
With treatment – please specify level of treatment	N.A.	N.A.
(iv) Sent to third-parties	N.A.	N.A.
No treatment	N.A.	N.A.
With treatment – please specify level of treatment	N.A.	N.A.
Others	N.A.	N.A.
No treatment	N.A.	N.A.
With treatment – please specify level of treatment	N.A.	N.A.
Total water discharged (in kilolitres)	N.A.	N.A.

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.



**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	N.A.	N.A.
Total Scope 3 emissions per rupee of turnover	-	N.A.	N.A.
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	N.A.	N.A.

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

**3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities:** N.A.

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
N.A.			

**5. Does the entity have a business continuity and disaster management plan?**

At Shilchar, we are committed to ensuring the safety, security, and resilience of our operations. It prepares our organization for any disruptions, minimizes the impact of unforeseen events, and enables a swift recovery to normal operations.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard:**

No Adverse Impact Identified.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:** N.A.

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/associations.

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1	Gujarat Employer Organization	State
2	FGI	State
3	IEEMA	State

**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:**

Name of Authority	Brief of the case	Corrective Action Taken
Not Applicable		

**Leadership Indicators****1. Details of public policy positions advocated by the entity:**

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly/ Others – please specify)	Web Link, if available
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N.A.

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.****Essential Indicators****1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and Brief Details of the Project	SIA Notification No.	Date of Notification	Whether conducted by Independent External Agency (Yes/No)?	Results Communicated in Public Domain (Yes/No)	Relevant Web Link
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NIL

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount paid to PAFs in the FY (In ₹)
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Not Applicable

**3. Describe the mechanisms to receive and redress grievances of the community:**

No Grievance redressal mechanism available of local community

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directly sourced from MSMEs/small producers	15.71%	10.98%
Sourced directly from within the district and neighbouring districts	81.54%	87.57%

**5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost:**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Location		
Rural	21	22
Semi-urban	-	-
Urban	79	71
Metropolitan	3	3

**Leadership Indicators****1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
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N.A.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount spent (In ₹)
N.A.			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No): N.A.

(b) From which marginalized/vulnerable groups do you procure? N.A.

(c) What percentage of total procurement (by value) does it constitute? N.A.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
N.A.				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:

Name of Authority	Brief of the Case	Corrective action taken
N.A.		

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Eradicating Hunger	It cannot be assessed	It cannot be assessed
2	Education		
3	Medical		
4	Sport		

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.**

#### Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:

QA Department is available and in place to receive and respond to consumer complaints and feedback.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	N.A.
Safe and Responsible Usage	N.A.
Recycling and/or Safe Disposal	N.A.

3. Number of consumer complaints in respect of the following:

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data Privacy	-	-	N.A.	-	-	N.A.
Advertising	-	-	N.A.	-	-	N.A.
Cyber- Security	-	-	N.A.	-	-	N.A.

## 3. Number of consumer complaints in respect of the following: (contd.)

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Delivery of Essential Services	-	-	N.A.	-	-	N.A.
Restrictive Trade Practices	-	-	N.A.	-	-	N.A.
Unfair Trade Practices	-	-	N.A.	-	-	N.A.
Others	-	-	N.A.	-	-	N.A.

## 4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for Recall
Voluntary Recalls		
Forced Recalls		Not Applicable

## 5. Does the entity have a framework/policy on cyber security and risks related to data privacy?

Yes, <https://shilchar.com/power/investors-desk>

## 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services:

Not Applicable.

## 7. Provide the following information relating to data breaches:

a. Number of instances of data breaches: NIL

b. Percentage of data breaches involving personally identifiable information of customers: N.A.

c. Impact, if any, of the data breaches: N.A.

**Leadership Indicator**

## 1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available):

<https://shilchar.com/>

## 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:

We provide the maintenance manual to the consumer.

## 3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:

N.A.

## 4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable):

NIL

*If yes, provide details in brief.*

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No): Yes through Feedback.

# Independent Auditor's Report

To the members of Shilchar Technologies Limited

Report on the Audit of the Financial Statements

## OPINION

We have audited the accompanying Financial Statements of **SHILCHAR TECHNOLOGIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

## BASIS FOR OPINION

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion 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 that there are no key audit matters to communicate in our report.

## INFORMATION OTHER THAN THE FINANCIAL STATEMENT AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information

comprises the information included in Board's Report including Annexure to that Board's Report, Corporate Governance, and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

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

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

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

## RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error;

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

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

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation;

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

of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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 Companies Act, 2013, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;
  - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164(2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”;

(g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act;

(h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 to the Financial Statements;

ii. The Company did not have any long-term contracts including derivative 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The Management has represented, that, to the best of its knowledge and belief, no

funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in note 50 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act, to the extent it applies to declaration of dividend.

vi. Based on our examination, which includes test checks, the Company has used accounting software for maintaining its books of accounts for the financial year ended 31<sup>st</sup> March, 2024 which has a feature of recording audit trails (edit log) facility and the same has been operated throughout the year for all the relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1<sup>st</sup> April, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financials year ended 31<sup>st</sup> March, 2024.

For **CNK & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W-100036

**Rachit Sheth**

Partner

Membership No.:158289

UDIN: 24158289BKAQHN9575

**Place:** Vadodara

**Date:** 30<sup>th</sup> April, 2024

# Annexure "A"

## To the Independent Auditor's Report

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Financial Statements for the year ended 31<sup>st</sup> March, 2024.

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- I. (a) (A) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company is maintaining proper records showing full particulars of intangible assets;
- (b) The Company has formulated a phased programme for physical verification of fixed assets, designed to cover all items over a period of three years. According to the programme, the Company has during the year, physically verified the relevant assets. In our opinion, the frequency of the verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification;
- (c) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements, are held in the name of the Company as at the Balance Sheet date;
- (d) According to information and explanations given to us, the Company has not revalued its Property, Plant and Equipment and intangible assets during the year;
- (e) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company does not have any proceedings initiated or pending for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Hence the requirements under paragraph 3(i)(e) of the Companies (Auditor's Report) Order, 2020 ("the Order") are not applicable to the Company.
- II. (a) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the inventory have been physically verified by the Management at reasonable intervals. Considering the size of the Company, the frequency of verification is reasonable and the procedures are adequate. No discrepancies have been noticed on such verification;
- (b) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company has working capital limits sanctioned from banks or financial institutions exceeding ₹ 5 Crores during the year and the quarterly returns/statements filed by the Company are generally in agreement with the books of accounts and no material discrepancy was observed.
- III. Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence the requirements of paragraph 3(iii) of the Companies (Auditor's Report) Order, 2020 ("the Order") are not applicable to the Company.
- IV. Based on our verification of the documents provided to us and according to the information and explanations given by the Management, in respect of loans, investments, guarantees, and security, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013.
- V. Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company has not accepted any deposits or the amounts which are deemed to be deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, therefore, the provisions of paragraph 3(v) of the Order are not applicable to the Company.
- VI. According to the information and explanations given to us and the records of the Company as examined by us, maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and prima facie, the prescribed cost records have been maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- VII. According to the information and explanations given to us, in respect of statutory dues:
  - (a) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company is regular in depositing with appropriate



authorities undisputed statutory dues including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and any other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding, as on 31<sup>st</sup> March, 2024, for a period of more than six months from the date they became payable.

- (b) According to the records of the Company examined by us and information and explanations given by the management, there are no statutory dues of referred in sub-clause (a) that has not been deposited on account of disputes.

VIII. According to the information and explanations given to us, Company has no transactions which were not recorded in the books of account, have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- IX. (a) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
- (b) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company is not declared wilful defaulter by any bank or financial institution or other lender;
- (c) Based on the procedures performed by us and according to the information and explanations given by the Management, we report that the no term loans were applied during the year therefore, this provisions of the Order is not applicable to the Company;
- (d) Based on the procedures performed by us and according to the information and explanations given by the Management, we report that no funds raised on short-term basis have been used for long-term purposes by the Company;
- (e) According to the information and explanations given to us, and the records examined by us, the Company has no subsidiaries, associates or joint ventures. Accordingly, reporting under the clause 3 (ix)(e) and (f) is not applicable.

- X. (a) Based on the procedures performed by us and according to the information and explanations given by the Management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments, and term loans were applied for the purposes for which those are raised during the year;

- (b) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of paragraph 3(x)(b) of the Order are not applicable.

- XI. (a) During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud on or by the Company noticed or reported during the year, nor we have been informed of any such case by the management;
- (b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report;
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

XII. The Company is not a Nidhi Company and hence the reporting under clause 3(xii) of the Order is not applicable to the Company.

XIII. Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company is in compliance with Section 177 and 188 of the Companies Act where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

XIV. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business;

- (b) We have considered report of the internal auditors for the period under audit.

XV. Based on our verification of the documents provided to us and according to the information and explanations given by the Management, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him. Therefore, the provisions of paragraph 3(xv) of the Order are not applicable.

XVI. Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and therefore, the provisions of paragraph 3(xvi) of the Order are not applicable.

XVII. Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the

Company has not incurred any 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 the reporting under clause 3(xviii) is not applicable.
- XIX. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the

balance sheet date, will get discharged by the Company as and when they fall due.

- XX. (a) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, there are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year;
- (b) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company has not spent amount towards Corporate Social Responsibility (CSR) on ongoing project. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.
- XXI. As the Company is not required to prepare consolidated financial statements, reporting under clause 3(xxi) of the Order is not applicable.

**Place:** Vadodara  
**Date:** 30<sup>th</sup> April, 2024

For **CNK & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 101961W/W-100036

**Rachit Sheth**  
Partner  
Membership No.:158289  
UDIN: 24158289BKAQHN9575

# Annexure “B”

## To the Independent Auditor’s Report

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

We have audited the internal financial controls over financial reporting of **SHILCHAR TECHNOLOGIES LIMITED** (“the Company”) as of 31<sup>st</sup> March, 2024 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements of the Company that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### AUDITORS’ RESPONSIBILITY

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 prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements of the Company were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements of the Company 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

## OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an internal financial controls with reference to financial statements of the Company and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **CNK & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 101961W/W-100036

**Rachit Sheth**  
Partner

Membership No.: 158289  
UDIN: 24158289BKAQHN9575

**Place:** Vadodara  
**Date:** 30<sup>th</sup> April, 2024

(All amounts are in ₹ Lakhs unless otherwise stated)

# Balance Sheet

As at 31<sup>st</sup> March, 2024

Sr. No.	Particulars	Note No.	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>ASSETS</b>				
(1)	<b>Non-current Assets</b>			
	(a) Property, Plant and Equipment	3	3,995.19	3,817.50
	(b) Capital work-in-progress	3	453.34	6.49
	(c) Intangible Assets	3	7.81	7.98
	(d) Investment Property	4	63.10	65.88
	(e) Financial Assets			
	(i) Other financial asset	5	191.63	296.86
	(f) Other Non-Current Assets	6	141.59	11.40
(2)	<b>Current assets</b>			
	(a) Inventories	7	5,956.03	2,312.19
	(b) Financial Assets			
	(i) Investments	8	2,042.93	692.89
	(ii) Trade Receivables	9	9,362.37	9,210.66
	(iii) Cash and cash equivalents	10	3,345.51	859.78
	(iv) Bank balances other than Cash and cash equivalents	11	2,670.56	68.36
	(v) Other financial assets	12	214.60	30.48
	(c) Other current assets	13	803.71	396.22
	<b>Total Assets</b>		<b>29,248.36</b>	<b>17,776.69</b>
<b>EQUITY AND LIABILITIES</b>				
(1)	<b>Equity</b>			
	(a) Equity Share capital	14	762.68	381.34
	(b) Other Equity	15	20,196.15	11,762.89
	<b>Total equity attributable to equity holders of the Company</b>		<b>20,958.83</b>	<b>12,144.23</b>
<b>LIABILITIES</b>				
(2)	<b>Non-Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Other financial liabilities	16	7.50	7.50
	(b) Provisions	17	81.31	85.31
	(c) Deferred Tax Liability (Net)	18	244.17	230.17
(3)	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Trade payables	19		
	(a) total outstanding dues of micro enterprises and small enterprises		437.14	74.66
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises		5,054.33	3,555.43
	(ii) Other financial liabilities	20	107.00	7.58
	(b) Other current liabilities	21	2,095.65	1,520.13
	(c) Provisions	22	73.96	63.31
	(d) Current Tax Liability (Net)		188.48	88.38
	<b>Total Liabilities</b>		<b>8,289.54</b>	<b>5,632.46</b>
	<b>Total Equity and Liabilities</b>		<b>29,248.36</b>	<b>17,776.69</b>

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

As per our Report of even date

For and on behalf of Board of Directors of  
**Shilchar Technologies Limited**For **CNK & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 101961W/W-100036**Alay Shah**  
Managing Director  
DIN: 00263538**Aashay Shah**  
Director  
DIN: 06886870**Rachit Sheth**  
Partner  
Membership No.: 158289**Mauli Mehta**  
Company Secretary**Prajesh Purohit**  
Chief Financial officer**Place:** Bill, Vadodara  
**Date:** 30<sup>th</sup> April, 2024**Place:** Bill, Vadodara  
**Date:** 30<sup>th</sup> April, 2024

(All amounts are in ₹ Lakhs unless otherwise stated)

# Statement of Profit and Loss

For the year ended 31<sup>st</sup> March, 2024

Particulars	Note No.	For the Year ended 31 <sup>st</sup> March, 2024	For the Year ended 31 <sup>st</sup> March, 2023
Revenue From Operations	23	39,687.82	28,024.12
Other Income	24	1,283.34	808.12
<b>Total Income</b>		<b>40,971.16</b>	<b>28,832.24</b>
<b>EXPENSES</b>			
Cost of materials consumed	25	25,733.79	19,030.89
Changes in Inventories of Finished goods and work-in-progress	26	(645.03)	951.04
Employee benefits expense	27	1,413.13	1,162.13
Finance costs	28	20.97	59.96
Depreciation and amortization expense	3,4	259.84	240.36
Other expenses	29	1,856.00	1,571.83
<b>Total expenses</b>		<b>28,638.69</b>	<b>23,016.20</b>
<b>Profit/(loss) before tax</b>		<b>12,332.47</b>	<b>5,816.04</b>
<b>Tax expense</b>			
(1) Current tax	30	3,131.16	1,489.92
(2) Deferred tax		11.60	10.74
(3) Short/(Excess) provision of earlier year		0.90	3.14
<b>Profit (Loss) for the period</b>		<b>9,188.81</b>	<b>4,312.24</b>
<b>Other Comprehensive Income</b>			
<b>(i) Items that will not be reclassified to profit or loss</b>			
- Remeasurement of Defined benefit plans		9.54	10.13
<b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b>			
- Income tax relating to Remeasurement of Defined benefit plans		(2.40)	(2.55)
<b>Total other comprehensive income</b>		<b>7.14</b>	<b>7.58</b>
<b>Total comprehensive income for the period</b>		<b>9,195.95</b>	<b>4,319.83</b>
<b>Earnings per equity share</b>			
(1) Basic		120.48	113.08
(2) Diluted		120.48	113.08

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

As per our Report of even date

For and on behalf of Board of Directors of  
**Shilchar Technologies Limited**For **CNK & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 101961W/W-100036**Alay Shah**  
Managing Director  
DIN: 00263538**Aashay Shah**  
Director  
DIN: 06886870**Rachit Sheth**  
Partner  
Membership No.: 158289**Mauli Mehta**  
Company Secretary**Prajesh Purohit**  
Chief Financial officer**Place:** Bill, Vadodara  
**Date:** 30<sup>th</sup> April, 2024**Place:** Bill, Vadodara  
**Date:** 30<sup>th</sup> April, 2024

# Statement of Cash Flows

For the year ended 31<sup>st</sup> March, 2024

Particulars	For the Year ended 31 <sup>st</sup> March, 2024	For the Year ended 31 <sup>st</sup> March, 2023
<b>A Cash flow from operating activities</b>		
Profit/(Loss) before income tax	12,332.47	5,816.04
<b>Adjustments for</b>		
Depreciation and amortisation expense	259.84	240.36
Finance Costs	20.97	59.96
Interest Income	(273.26)	(46.01)
(Gain)/Loss on sale of Property, Plant and Equipment	0.15	13.40
Loss on Discard of Property Plant and Equipment (Net)	2.85	-
Expected Credit Loss Allowance	20.73	18.44
Fair valuation of Investments through FVTPL	(3.22)	(3.59)
Other Comprehensive Income (OCI) Reclassification	9.54	10.13
Unrealised foreign exchange (Gain)/Loss	(37.64)	(16.01)
<b>Operating profit before working capital changes</b>	<b>12,332.43</b>	<b>6,092.72</b>
<b>Movements in working capital</b>		
(Increase)/Decrease in trade receivables	(134.64)	(2,311.87)
(Increase)/Decrease in inventories	(3,643.83)	840.61
(Increase)/Decrease in other assets	(416.95)	83.13
Increase/(Decrease) in trade payables	1,861.36	61.14
Increase/(Decrease) in other liabilities	681.58	678.21
<b>Cash generated from operations</b>	<b>10,679.95</b>	<b>5,443.93</b>
Direct taxes paid (net)	(3,031.96)	(1,521.51)
<b>Net cash from operating activities (A)</b>	<b>7,647.99</b>	<b>3,922.42</b>
<b>B Cash flows from investing activities</b>		
Capital expenditure on property, plant and equipment (PPE) (including Capital work-in-progress and capital advances)	(1,019.92)	(552.48)
Proceeds from sale of property, plant and equipment (PPE)	5.30	3.06
Purchase/Proceeds from sale of investments (Net)	(1,346.82)	(689.30)
Interest Received	98.62	28.89
<b>Net cash (used) in Investing activities (B)</b>	<b>(2,262.82)</b>	<b>(1,209.83)</b>
<b>C Cash flow from financing activities</b>		
Interest paid	(20.97)	(59.96)
Proceeds/(Repayment) of Long term Borrowings	-	(250.68)
Proceeds/(Repayment) of Short term Borrowings	-	(1,452.31)
Dividend Paid	(381.35)	(152.54)
(Increase)/Decrease in Bank Balances other than Cash & Cash Equivalents	(2,497.11)	56.99
<b>Net cash (used) in financing activities (C)</b>	<b>(2,899.43)</b>	<b>(1,858.50)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]</b>	<b>2,485.73</b>	<b>854.09</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		
Balances with banks in current accounts and deposit account	855.81	4.54
Cash on hand	3.97	1.16
<b>CASH AND CASH EQUIVALENTS</b>	<b>859.78</b>	<b>5.69</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		
Balances with banks in current accounts and deposit account	3,343.07	855.81
Cash on hand	2.44	3.97
<b>CASH AND CASH EQUIVALENTS</b>	<b>3,345.51</b>	<b>859.78</b>

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

As per our Report of even date

For and on behalf of Board of Directors of  
**Shilchar Technologies Limited**

For **CNK & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 101961W/W-100036

**Alay Shah**  
Managing Director  
DIN: 00263538

**Aashay Shah**  
Director  
DIN: 06886870

**Rachit Sheth**  
Partner  
Membership No.: 158289

**Mauli Mehta**  
Company Secretary

**Prajesh Purohit**  
Chief Financial officer

**Place:** Bill, Vadodara  
**Date:** 30<sup>th</sup> April, 2024

**Place:** Bill, Vadodara  
**Date:** 30<sup>th</sup> April, 2024

(All amounts are in ₹ Lakhs unless otherwise stated)

# Statement of Changes in Equity

For the year ended 31<sup>st</sup> March, 2024

## A. EQUITY SHARE CAPITAL

Balance as at 1 <sup>st</sup> April, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 <sup>st</sup> April, 2023	Changes in equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2024
381.34	-	381.34	381.34	762.68

Balance as at 1 <sup>st</sup> April, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 <sup>st</sup> April, 2022	Changes in equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2023
381.34	-	381.34	-	381.34

## B. OTHER EQUITY

Particulars	Reserves and Surplus				Total Equity
	Capital Reserve	General Reserve	Securities Premium Reserve	Retained Earnings	
<b>Balance as at 1<sup>st</sup> April, 2023</b>	163.66	107.84	306.57	11,184.82	11,762.89
Changes in accounting policy or prior period errors					-
<b>Restated balance as at 1<sup>st</sup> April, 2023</b>	<b>163.66</b>	<b>107.84</b>	<b>306.57</b>	<b>11,184.82</b>	<b>11,762.89</b>
Utilised during the year		(74.77)	(306.57)		(381.34)
Total Comprehensive Income for the year				9,195.95	9,195.95
Dividends				(381.35)	(381.35)
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>163.66</b>	<b>33.07</b>	<b>-</b>	<b>19,999.41</b>	<b>20,196.15</b>

Particulars	Reserves and Surplus				Total Equity
	Capital Reserve	General Reserve	Securities Premium Reserve	Retained Earnings	
<b>Balance as at 1<sup>st</sup> April, 2022</b>	163.66	107.84	306.57	7,017.53	7,595.60
Changes in accounting policy or prior period errors					-
<b>Restated balance as at 1<sup>st</sup> April, 2022</b>	<b>163.66</b>	<b>107.84</b>	<b>306.57</b>	<b>7,017.53</b>	<b>7,595.60</b>
Total Comprehensive Income for the year				4,319.83	4,319.83
Dividends				(152.54)	(152.54)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>163.66</b>	<b>107.84</b>	<b>306.57</b>	<b>11,184.82</b>	<b>11,762.89</b>

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

As per our Report of even date

For and on behalf of Board of Directors of  
**Shilchar Technologies Limited**For **CNK & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 101961W/W-100036**Alay Shah**  
Managing Director  
DIN: 00263538**Aashay Shah**  
Director  
DIN: 06886870**Rachit Sheth**  
Partner  
Membership No.: 158289**Mauli Mehta**  
Company Secretary**Prajesh Purohit**  
Chief Financial officer**Place:** Bill, Vadodara  
**Date:** 30<sup>th</sup> April, 2024**Place:** Bill, Vadodara  
**Date:** 30<sup>th</sup> April, 2024



# Notes forming part of the Financial Statements

As at and for the year ended 31<sup>st</sup> March, 2024

## 1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Description of Business

SHILCHAR TECHNOLOGIES LIMITED ("the Company"), incorporated in the year 1986 is Public Limited Company and engaged in the business of manufacturing of "Distribution & Power Transformers" as well "Electronics & Telecommunication Transformers."

The Company made its public issue in the year 1995 and is listed on Mumbai Stock Exchange.

### 1.2 Basis of Preparation of Financial Statements

#### i. Compliance with Ind AS

The Financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act to be read with Rule, 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

#### ii. Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except the following:

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans – plan assets measured at fair value.

#### iii. Functional and Presentation Currency

These financial statements are presented in Indian Rupees, which is the Company's functional currency, and all values are rounded to the nearest Lakhs, except otherwise indicated.

#### iv. Composition of Financial Statements

The financial statements comprise:

- Balance Sheet
- Statement of Profit and Loss
- Statement of Cash Flow
- Statement of Changes in Equity
- Notes to Financial Statements

### 1.3 Key Accounting Judgments, Estimates and Assumptions

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any change in these estimates and assumptions

will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standards.

## 2.1 MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY NOTES

### A. Property, Plant and Equipment:

#### i. Recognition and Measurement

Freehold land is carried at cost and not depreciated. All other items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognized in the Statement of Profit and Loss.

If significant parts of an item of property, plant and equipment have different useful life, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

An Item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal of an item of property, plant and equipment is recognized in the Statement of Profit and Loss.

#### ii. Subsequent Expenditure

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

#### iii. Depreciation

Depreciation is recognised so as to write off the cost of the assets (other than freehold land) less their residual values over their useful lives, using the Straight Line Method on the basis of useful lives specified in part C of Schedule II to the Companies Act, 2013 except plant and equipment ranging from 10-20 years. The Estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in the estimated accounted for on a prospective basis.

### B. Investment Property:

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced

part is derecognised. Investment properties are depreciated using the straight-line method over their estimated useful lives. Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

## C. Intangible Assets:

### i. Recognition and Measurement

Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any. Amortization is done over their estimated useful life on straight line basis from the date that they are available for intended use, subjected to impairment test.

### ii. Amortization

Software, which is not an integral part of the related hardware is classified as an intangible asset and is amortized over the useful life of 3 years.

### iii. De-recognition of Intangible Assets

Intangible asset is de-recognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss when the asset is de-recognized.

## D. Impairment:

### i. Non-financial Assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite life may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. If the recoverable amount of the asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in statement of Profit and Loss.

## E. Leases:

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.

### Company as a lessee

#### (A) Lease Liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

#### (B) Right-of-use assets

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at

or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

### Subsequent measurement

#### (A) Lease Liability

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

#### (B) Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset.

### Impairment

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

### Short term Lease

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the Company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

### As a lessor

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

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

## F. Inventories:

Inventories are measured at the lower of Cost and Net Realizable Value. The cost of inventories is based on the first-in first-out 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, costs include an appropriate share of fixed production overheads based on normal operating capacity.

Net realizable 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 value 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.

## G. Investments and Other Financial Assets:

### i. Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through Statement of Profit and Loss), and
- Those measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt or equity investments when and only when its business model for managing those assets changes.

### ii. Measurement

At initial recognition, in case of a financial asset not at fair value through profit and loss, the Company measures a financial asset at its fair value plus, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through Statement of Profit and Loss are expensed in Statement of Profit and Loss.

- (a) **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost.
- (b) **Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through Other Comprehensive Income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit and loss and recognized in other gains/losses. Interest income from these financial

assets is included in other income using the effective interest rate method.

- (c) **Fair value through profit and loss:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

## Trade Receivables:

### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

### iii. Equity Instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to Statement of Profit and Loss. Dividends from such investments are recognized in Statement of Profit and Loss as other income when the Company's right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit and loss are recognized in other gain/losses in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### iv. Derecognition

A financial asset is derecognized only when

- (a) The Company has transferred the rights to receive cash flows from the financial asset; or
- (b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

## H. Cash and Cash Equivalents:

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

### Cash flow statement

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

The cash flows from the operating, investing and financing activities of the Company are segregated.

## I. Financial Liabilities:

### i. Measurement

All financial liabilities are recognized initially at fair value and in the case of loans, borrowings and payables recognized net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

### ii. Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the Effective Interest rate (EIR) amortization process.

## J. Foreign Currency Translation:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Indian Rupee (INR) is the functional and presentation currency of the Company.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income and expenses in the Statement of Profit and Loss, in the period in which they arise.

## K. Revenue Recognition:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue from the sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on the delivery of the goods.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts, schemes, rebates offered by the Company as part of the contract.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence

of significant financing component, non-cash component and consideration payable to the customer like return, allowances, trade discounts, liquidated damages and volume rebates.

Sales are disclosed excluding net of sales returns, service tax, value added tax and Goods and Service Tax (GST).

### i. Export Incentives

Export incentives are recognized when the right to receive them as per the terms of the entitlement is established in respect of exports made.

The benefits accrued under the duty drawback scheme, Merchandise Export from India Scheme (MEIS) and RoDTEP as per the Import and export Policy in respect of exports under the said scheme are recognised when there is a reasonable assurance that the benefit will be received and the Company will comply with all attached conditions. The above benefits have been included under the head 'Export Incentives.'

### ii. Other Income

- i) Other income is comprised primarily of interest income, gain/loss on investments and exchange gain/loss on foreign currency transactions. Interest income is recognized using the effective interest method.

## L. Employee Benefits:

### i. Short-term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### ii. Provident Fund

Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

### iii. Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is funded through annual contributions to Life Insurance Corporation of India (LIC) under its Company's Gratuity Scheme. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is

determined by discounting the estimated future cash outflows using interest rates of government bonds. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

#### iv. Compensated Absences

Entitlement of employees accumulating earned leave and eligibility of compensation or encashment of the same is also a defined benefit obligation and is treated as long term in nature in terms of the policies of the Company for the same. The value of obligation towards the same is provided for on the basis of actuarial valuation using projected unit credit method as at the balance sheet date. Actuarial gain/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

#### M. Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

#### N. Taxation:

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

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

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward unused tax losses can be utilised.

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

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

### O. Provisions and Contingencies:

#### i. Provisions

Provisions for legal claims, product warranties and make good obligations are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Long-term provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money. Short term provisions are carried at their redemption value and are not offset against receivables from reimbursements.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### ii. Contingent Liabilities

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 or a reliable estimate of the amount cannot be made.

#### iii. Contingent Assets

Contingent Assets are not recognised but are disclosed in the notes to the financial statements.

### P. Earnings per Share:

#### i. Basic Earnings per Share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares.
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

## ii. Diluted Earnings per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## Q. Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker "CODM" of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segment. The Company has monthly review

and forecasting procedure in place and CODM reviews the operations of the Company as a whole.

## R. Exceptional Items:

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

## 2.2 RECENT PRONOUNCEMENTS

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

## 3. PROPERTY, PLANT AND EQUIPMENTS

Particulars	Land - Freehold	Windmill	Electrical Installation	Factory Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Software	Total
<b>Gross carrying amount As at 1<sup>st</sup> April, 2023</b>	<b>628.86</b>	<b>85.45</b>	<b>271.73</b>	<b>1,653.49</b>	<b>1,982.94</b>	<b>143.58</b>	<b>371.78</b>	<b>43.76</b>	<b>34.69</b>	<b>27.41</b>	<b>5,243.65</b>
Additions	-	-	-	159.51	185.83	1.68	75.39	10.62	8.13	1.71	442.88
Disposals/discarded	-	-	-	-	3.01	0.09	42.35	0.12	2.24	0.38	48.18
<b>Gross carrying amount As at 31<sup>st</sup> March, 2024</b>	<b>628.86</b>	<b>85.45</b>	<b>271.73</b>	<b>1,813.00</b>	<b>2,165.77</b>	<b>145.17</b>	<b>404.83</b>	<b>54.26</b>	<b>40.58</b>	<b>28.74</b>	<b>5,638.35</b>
<b>Accumulated depreciation As at 1<sup>st</sup> April, 2023</b>	<b>-</b>	<b>45.29</b>	<b>126.49</b>	<b>348.65</b>	<b>696.23</b>	<b>46.07</b>	<b>81.36</b>	<b>25.31</b>	<b>29.35</b>	<b>19.43</b>	<b>1,418.17</b>
Charge for the period	-	6.90	24.63	61.20	104.77	12.03	38.43	4.24	3.22	1.63	257.06
Disposals/discarded	-	-	-	-	1.78	0.05	36.90	-	1.03	0.13	39.89
<b>Closing accumulated depreciation As at 31<sup>st</sup> March, 2024</b>	<b>-</b>	<b>52.19</b>	<b>151.12</b>	<b>409.84</b>	<b>799.21</b>	<b>58.05</b>	<b>82.89</b>	<b>29.56</b>	<b>31.55</b>	<b>20.93</b>	<b>1,635.35</b>
<b>Net carrying amount:</b>											
<b>As at 31<sup>st</sup> March, 2024</b>	<b>628.86</b>	<b>33.26</b>	<b>120.61</b>	<b>1,403.16</b>	<b>1,366.56</b>	<b>87.12</b>	<b>321.93</b>	<b>24.70</b>	<b>9.02</b>	<b>7.81</b>	<b>4,003.00</b>
<b>As at 31<sup>st</sup> March, 2023</b>	<b>628.86</b>	<b>40.16</b>	<b>145.24</b>	<b>1,304.84</b>	<b>1,286.72</b>	<b>97.52</b>	<b>290.42</b>	<b>18.45</b>	<b>5.33</b>	<b>7.98</b>	<b>3,825.48</b>

Particulars	Land - Freehold	Windmill	Electrical Installation	Factory Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Software	Total
<b>Gross carrying amount As at 1<sup>st</sup> April, 2022</b>	<b>628.86</b>	<b>85.45</b>	<b>271.73</b>	<b>1,572.02</b>	<b>1,760.18</b>	<b>96.04</b>	<b>264.61</b>	<b>33.90</b>	<b>29.66</b>	<b>27.41</b>	<b>4,769.82</b>
Additions	-	-	-	90.09	237.29	48.65	165.57	10.67	5.03	-	557.30
Disposals/discarded	-	-	-	8.63	14.52	1.11	58.40	0.81	-	-	83.47
<b>Gross carrying amount As at 31<sup>st</sup> March, 2023</b>	<b>628.86</b>	<b>85.45</b>	<b>271.73</b>	<b>1,653.49</b>	<b>1,982.94</b>	<b>143.58</b>	<b>371.78</b>	<b>43.76</b>	<b>34.69</b>	<b>27.41</b>	<b>5,243.65</b>
<b>Accumulated depreciation As at 1<sup>st</sup> April, 2022</b>	<b>-</b>	<b>38.41</b>	<b>101.92</b>	<b>287.58</b>	<b>607.79</b>	<b>38.24</b>	<b>105.48</b>	<b>21.43</b>	<b>27.68</b>	<b>17.03</b>	<b>1,245.58</b>
Charge for the period	-	6.88	24.56	63.39	94.59	8.55	31.22	4.32	1.67	2.40	237.58
Disposals/discarded	-	-	-	2.33	6.15	0.73	55.35	0.44	-	-	64.98
<b>Closing accumulated depreciation As at 31<sup>st</sup> March, 2023</b>	<b>-</b>	<b>45.29</b>	<b>126.49</b>	<b>348.65</b>	<b>696.23</b>	<b>46.07</b>	<b>81.36</b>	<b>25.31</b>	<b>29.35</b>	<b>19.43</b>	<b>1,418.17</b>
<b>Net carrying amount:</b>											
<b>As at 31<sup>st</sup> March, 2023</b>	<b>628.86</b>	<b>40.16</b>	<b>145.24</b>	<b>1,304.84</b>	<b>1,286.72</b>	<b>97.52</b>	<b>290.42</b>	<b>18.45</b>	<b>5.33</b>	<b>7.98</b>	<b>3,825.48</b>
<b>As at 31<sup>st</sup> March, 2022</b>	<b>628.86</b>	<b>47.04</b>	<b>169.81</b>	<b>1,284.44</b>	<b>1,152.39</b>	<b>57.80</b>	<b>159.13</b>	<b>12.47</b>	<b>1.98</b>	<b>10.38</b>	<b>3,524.26</b>

(All amounts are in ₹ Lakhs unless otherwise stated)

**Note:**

- a) The Company has not carried out any revaluation of its Property, Plant and Equipment.
- b) The Company holds all the title deeds of immovable properties in its own name.
- c) The Plant and Machinery (both present and future) and Equitable Mortgage of entire Factory Land and Building including corporate office of the Company are pledged on first pari passu basis against the Bank facilities of Working Capital being Cash Credit, Export Packing Credit and other Facilities.

**Capital Work-in-Progress (CWIP)**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Capital work-in-progress	453.34	6.49
<b>Total</b>	<b>453.34</b>	<b>6.49</b>

**Capital Work-in-Progress (CWIP) Ageing**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>As at 31<sup>st</sup> March, 2024</b>					
Projects in progress	453.34	-	-	-	453.34
Suspended	-	-	-	-	-
<b>As at 31<sup>st</sup> March, 2023</b>					
Projects in progress	4.72	1.77	-	-	6.49
Suspended	-	-	-	-	-

**Note:** There are no Projects whose completion is overdue or has exceeded its cost.

**4. INVESTMENT PROPERTY**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>INVESTMENT PROPERTY</b>		
<b>(Transfer from Property, Plant and Equipment)</b>		
<b>a) Building given on Operating Lease</b>		
<b>Gross carrying amount As at 1<sup>st</sup> April, 2023</b>	<b>39.97</b>	<b>39.97</b>
Additions	-	-
Disposals	-	-
<b>Gross carrying amount As at 31<sup>st</sup> March, 2024</b>	<b>39.97</b>	<b>39.97</b>
<b>Accumulated depreciation As at 1<sup>st</sup> April, 2023</b>	<b>11.56</b>	<b>8.79</b>
Charge for the period	2.78	2.77
Disposals	-	-
<b>Closing accumulated depreciation As at 31<sup>st</sup> March, 2024</b>	<b>14.34</b>	<b>11.56</b>
<b>b) Freehold Land</b>		
<b>Gross carrying amount As at 1<sup>st</sup> April, 2023</b>	<b>37.47</b>	<b>37.47</b>
Addition	-	-
Disposals	-	-
Transferred during the year	-	-
<b>Gross carrying amount As at 31<sup>st</sup> March, 2024</b>	<b>37.47</b>	<b>37.47</b>
<b>Accumulated depreciation As at 1<sup>st</sup> April, 2023</b>	-	-
Charge for the period	-	-
Disposals	-	-



(All amounts are in ₹ Lakhs unless otherwise stated)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Closing accumulated depreciation As at 31<sup>st</sup> March, 2024</b>	-	-
<b>Net carrying amount: (a+b)</b>		
<b>As at 31<sup>st</sup> March, 2024</b>	<b>63.10</b>	-
<b>As at 31<sup>st</sup> March, 2023</b>	-	<b>65.88</b>

**Note:**

- (i) During previous year, the Company has rented out some area of land on lease and the same has been classified as Investment property [As per Indian Accounting Standard (Ind AS)-40, Investment Properties] as it is not intended to be occupied substantially for use by, or in the operations, of the Company.
- (ii) Refer note (41) for other disclosure.

**5. OTHER FINANCIAL ASSET**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Unsecured, considered good</b>		
- Deposits	27.55	28.55
<b>Balances with Banks</b>		
- Bank deposits with more than 12 months of maturity	164.08	268.31
<b>Total</b>	<b>191.63</b>	<b>296.86</b>

**6. OTHER NON-CURRENT ASSETS**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Unsecured, considered good</b>		
Capital Advances	141.59	11.40
<b>Total</b>	<b>141.59</b>	<b>11.40</b>

**7. INVENTORIES**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Inventories (lower of cost and net realised value)</b>		
Raw Materials	4,625.59	1,626.79
Work-in-Progress	1,039.30	199.83
Finished goods	291.14	485.58
<b>Total</b>	<b>5,956.03</b>	<b>2,312.19</b>

The Inventories of the Company are pledged on first pari passu basis against the Bank facilities of Working Capital being Cash Credit, Export Packing Credit and other Facilities.

**8. CURRENT INVESTMENTS**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Investments at fair value through profit or loss</b>		
<b>Investment in Mutual Fund (Quoted)</b>		
DSP Mutual Fund 31 <sup>st</sup> March, 2024 Unit 59,192.02 (P.Y. Unit 21537.15)	2,042.93	692.89
<b>Total</b>	<b>2,042.93</b>	<b>692.89</b>

(All amounts are in ₹ Lakhs unless otherwise stated)

**9. TRADE RECEIVABLES**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Trade Receivables considered Good-Unsecured</b>		
- Others	9,463.42	9,290.97
	<b>9,463.42</b>	<b>9,290.97</b>
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables credit impaired	-	-
<b>Total</b>	<b>9,463.42</b>	<b>9,290.97</b>
<b>Less: Expected Credit Loss Allowance</b>	(101.04)	(80.31)
<b>Total</b>	<b>9,362.37</b>	<b>9,210.66</b>

**Note:**

(i) Refer note (42) for other disclosure.

**10. CASH AND CASH EQUIVALENTS**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Balances with banks</b>		
(a) In current accounts	624.47	219.43
(b) Deposit with original maturity within 3 months	2,718.60	636.38
<b>Cash on Hand</b>	<b>2.44</b>	<b>3.97</b>
<b>Total</b>	<b>3,345.51</b>	<b>859.78</b>

**11. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Other Bank Balances</b>		
(a) Deposit with original maturity more than 3 months to 12 months	2,667.00	65.11
(b) Unpaid dividend	3.56	3.25
<b>Total</b>	<b>2,670.56</b>	<b>68.36</b>

**12. OTHER FINANCIAL ASSETS**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Unsecured, considered good</b>		
(a) Deposit	0.53	0.53
(b) Accrued Interest Income	204.61	29.96
(c) Other receivables	9.47	-
<b>Total</b>	<b>214.60</b>	<b>30.48</b>

**13. OTHER CURRENT ASSETS**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(a) Advance to Suppliers	107.57	52.74
(b) Advances to Employee	33.98	16.69
(c) Prepaid expenses	67.01	38.67
(d) Balances with Government authorities	573.91	268.92
(e) Other Receivables	21.24	19.21
<b>Total</b>	<b>803.71</b>	<b>396.22</b>

(All amounts are in ₹ Lakhs unless otherwise stated)

**14. SHARE CAPITAL****(a) Authorised Equity Share Capital**

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
At 1 <sup>st</sup> April, 2023	50,00,000	500.00
Increase/(decreased) during the year	50,00,000	500.00
At 31 <sup>st</sup> March, 2024	1,00,00,000	1,000.00

**(b) Issued Equity Share Capital**

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
At 1 <sup>st</sup> April, 2023	38,13,400	381.34
Add: Bonus shares issued during the year	38,13,400	381.34
At 31 <sup>st</sup> March, 2024	76,26,800	762.68

**(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	38,13,400	381.34	38,13,400	381.34
Add: Bonus shares issued during the year	38,13,400	381.34	-	-
At the end of the period	76,26,800	762.68	38,13,400	381.34

**Pursuant to approval of the Members**

- Authorised share capital of the Company was increased from ₹ 500 Lakhs consisting of 50,00,000 equity shares of face value of ₹ 10 each to ₹ 1,000 Lakhs consisting of 1,00,00,000 equity shares of face value of ₹ 10 each.
- Subsequent to the said approval, on 7<sup>th</sup> September, 2023, the Allotment Committee allotted 38,13,400 equity shares of face value of ₹ 10 each as bonus shares in the proportion of one bonus equity share of face value of ₹ 10 for every one equity share of face value of ₹ 10 held as on the record date. The bonus shares were listed on BSE Limited w.e.f. 18<sup>th</sup> September, 2023.

**(d) Terms & Rights attached to each class of shares**

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of the liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(e) Shares held by shareholders each holding more than 5% of the shares**

Shareholders	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No. of shares	Percentage	No. of shares	Percentage
<b>Equity shares with voting rights</b>				
Alay Jitendra Shah	19,51,032	25.58%	10,45,516	27.42%
Shilpa Alay Shah	8,03,940	10.54%	4,01,970	10.54%
Aatman Alay Shah	7,88,764	10.34%	3,94,382	10.34%
Aashay Alay Shah	7,88,764	10.34%	3,94,382	10.34%
Alay Jitendra Shah (HUF)	5,49,650	7.21%	2,74,825	7.21%
<b>Total</b>	<b>48,82,150</b>	<b>64.01%</b>	<b>25,11,075</b>	<b>65.85%</b>

(All amounts are in ₹ Lakhs unless otherwise stated)

**(f) Shareholding of Promoters**

Shares held by promoters Promoter Name	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023	
	No. of Shares	% of Total Shares	% Change	No. of Shares	% of Total Shares
<b>Equity shares with voting rights</b>					
1. Alay Jitendra Shah	19,51,032	25.58%	86.61%	10,45,516	27.42%
2. Shilpa Alay Shah	8,03,940	10.54%	100.00%	4,01,970	10.54%
3. Aatman Alay Shah	7,88,764	10.34%	100.00%	3,94,382	10.34%
4. Aashay Alay Shah	7,88,764	10.34%	100.00%	3,94,382	10.34%
5. Alay Jitendra Shah (HUF)	5,49,650	7.21%	100.00%	2,74,825	7.21%
<b>Total</b>	<b>48,82,150</b>	<b>64.01%</b>	<b>-</b>	<b>25,11,075</b>	<b>65.85%</b>

**15. OTHER EQUITY**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Capital Reserve	163.66	163.66
General Reserve	33.07	107.84
Securities Premium	-	306.57
Retained Earnings	19,999.42	11,184.82
<b>Total</b>	<b>20,196.15</b>	<b>11,762.89</b>

**15.1**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>(a) Capital Reserve (on account of amalgamation)</b>		
Balance as per the last financial statements	163.66	163.66
Addition during the year	-	-
<b>Closing Balance</b>	<b>163.66</b>	<b>163.66</b>
<b>(b) General Reserve</b>		
Balance as per the last financial statements	107.84	107.84
Utilised during the year	(74.77)	-
<b>Closing Balance</b>	<b>33.07</b>	<b>107.84</b>
<b>(c) Securities Premium Reserve</b>		
Balance as per the last financial statements	306.57	306.57
Utilised during the year	(306.57)	-
<b>Closing Balance</b>	<b>-</b>	<b>306.57</b>
<b>(d) Retained Earnings</b>		
Balance as per the last financial statements	11,184.82	7,017.53
Profit for the period	9,188.81	4,312.24
<b>Items of Other Comprehensive Income</b>		
<b>Add/(Less):</b> Remeasurement of the Net Defined benefit liability/asset, net of tax effect	7.14	7.58
<b>Less:</b> Appropriations		
Dividend on Equity shares	(381.35)	(152.54)
<b>Total</b>	<b>19,999.42</b>	<b>11,184.82</b>
<b>Total</b>	<b>20,196.15</b>	<b>11,762.89</b>

(All amounts are in ₹ Lakhs unless otherwise stated)

**15.2 Nature and purpose of other reserves****(a) General Reserve**

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

**(b) 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.

**(c) Retained Earnings**

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

**16. OTHER NON-CURRENT FINANCIAL LIABILITIES**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(a) Security Deposits	7.50	7.50
<b>Total</b>	<b>7.50</b>	<b>7.50</b>

**17. PROVISIONS**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Provision for employee benefits</b>		
Provision for Gratuity (Net)	64.36	69.48
Provision for Compensated absences	16.95	15.83
<b>Total</b>	<b>81.31</b>	<b>85.31</b>

**18. DEFERRED TAX LIABILITIES (NET)**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Deferred Tax Assets</b>		
The balance comprises temporary differences attributable to		
Provision For Employee Benefit	39.08	33.67
Others	22.67	19.31
<b>Total DTA</b>	<b>61.75</b>	<b>52.97</b>
<b>Deferred Tax Liability</b>		
The balance comprises temporary differences attributable to		
Remeasurements of the defined benefit plans	2.04	1.38
Depreciation	302.17	281.76
Others	1.71	-
<b>Total DTL</b>	<b>305.92</b>	<b>283.14</b>
<b>Net Deferred Tax Asset/(Liability)</b>	<b>(244.17)</b>	<b>(230.17)</b>

**19. TRADE PAYABLES**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Trade Payables</b>		
(a) total outstanding dues of micro enterprises and small enterprises	437.14	74.66
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	5,054.33	3,555.43
<b>Total</b>	<b>5,491.47</b>	<b>3,630.09</b>

**Note:**

(i) Refer note (43) for other disclosure.

(All amounts are in ₹ Lakhs unless otherwise stated)

**20. OTHER FINANCIAL LIABILITIES**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(a) Payable for Fixed Asset	103.44	2.96
(b) Unpaid Dividends*	3.56	3.25
(c) Security Deposits	-	1.38
<b>Total</b>	<b>107.00</b>	<b>7.58</b>

\* To be deposited with Investor Education and Protection Fund as and when they became due.

**21. OTHER CURRENT LIABILITIES**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(a) Advances from Customers	1,949.13	1,428.81
(b) Statutory Liabilities	31.96	24.85
(c) Salary and Wages Payable	58.15	51.76
(d) Other Payable	56.41	14.71
<b>Total</b>	<b>2,095.65</b>	<b>1,520.13</b>

**22. PROVISIONS**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Provision for employee benefits		
- Provision for gratuity (Net)	42.98	35.60
- Provision for Compensated absences	16.87	17.26
- Provision for Bonus	14.11	10.44
<b>Total</b>	<b>73.96</b>	<b>63.31</b>

**23. REVENUE FROM OPERATIONS**

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Sale of Products</b>		
- Sale of Products	39,687.82	28,024.12
<b>Total</b>	<b>39,687.82</b>	<b>28,024.12</b>

**Disclosure pursuant to Ind AS 115 -Revenue from Contracts with Customers:****(i) Disaggregate Revenue:**

The table below presents disaggregated revenues of the Company from contracts with customers by geography/offering/contract-type/market. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Sale of Products</b>		
- Domestic Sales	19,823.59	13,541.60
- Export Sales	19,864.22	14,482.53

Number of customers individually accounted for more than 10% of the revenue in the year ended 31<sup>st</sup> March, 2024: One (P.Y.- Two)

(All amounts are in ₹ Lakhs unless otherwise stated)

**Disaggregation of Revenue from contract with customers**

The Company derives revenue from the transfer of goods and services in the following geographical locations:

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Africa	520.81	508.21
North America	8,240.88	5,914.44
EMER (Europe, Middle East and Russia)	11,102.32	7,684.22
Others	0.21	375.66
India	19,823.59	13,541.60
<b>Total</b>	<b>39,687.82</b>	<b>28,024.12</b>

**24. OTHER INCOME**

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Interest Income (At amortised cost)	273.26	46.01
Fair Value change of investment held for trading (Classified at FVTPL)	3.22	3.59
Export Incentive	493.56	317.21
Income from Windmill	35.74	27.06
Rent Income	42.63	40.59
Gain on foreign currency transactions/translations	263.97	280.91
Income from Liquid Fund (Classified at FVTPL)	126.82	34.30
Balances no longer Payable written back (Net)	-	7.06
Gain/(loss) on sale of Property, Plant and Equipment (Net)	-	2.05
Insurance Claim	0.15	20.23
Others	43.99	29.11
<b>Total</b>	<b>1,283.34</b>	<b>808.12</b>

**25. COST OF RAW MATERIAL AND COMPONENTS**

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Cost of Raw Material Consumed	25,641.28	18,957.51
Consumable Store and Spares	92.51	73.38
<b>Total</b>	<b>25,733.79</b>	<b>19,030.89</b>

**26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Inventories at the end of the period</b>		
Finished Goods	291.14	485.58
Work In Progress	1,039.30	199.83
	<b>1,330.44</b>	<b>685.41</b>
<b>Inventories at the beginning of the period</b>		
Finished Goods	485.58	1,017.11
Work-In-Progress	199.83	619.33
<b>Net (increase)/decrease</b>	<b>(645.03)</b>	<b>951.04</b>

(All amounts are in ₹ Lakhs unless otherwise stated)

**27. EMPLOYEE BENEFITS EXPENSE**

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Salary, Wages, Bonus and Others etc.	1,275.39	1,027.41
Contributions to Provident Fund and Other Funds	61.03	57.89
Staff Welfare Expenses	76.71	76.83
<b>Total</b>	<b>1,413.13</b>	<b>1,162.13</b>

**28. FINANCE COSTS**

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Interest expense	0.03	20.26
Other Borrowing costs	20.95	39.70
<b>Total</b>	<b>20.97</b>	<b>59.96</b>

**29. OTHER EXPENSES**

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Power and Fuel (Net)	105.03	107.37
Processing cost	654.59	479.43
Carting and Freight Inwards	70.16	52.38
<b>Repairs &amp; Maintenance</b>		
Building	14.39	8.07
Plant & Machinery	35.66	15.55
Others	39.49	29.80
Legal and Professional Fees	80.30	78.36
Testing charges	38.24	23.91
Freight/Clearing & Forwarding Charges on Sales (Net of recoveries)	325.29	279.82
Payments to Auditors (Refer Note: 37)	4.51	3.99
Donation	3.93	-
Corporate Social Responsibility Expenses (Refer Note: 38)	56.66	27.47
Travelling Expense	159.05	132.19
Research and development expenses	71.71	65.91
Directors sitting fees	6.10	4.90
Loss on Sale of Property Plant and Equipment (Net)	0.15	15.44
Loss on Discard of Property Plant and Equipment (Net)	2.85	-
Expected Credit Loss Allowance	20.73	18.44
Balances written off	2.10	-
Miscellaneous Expenses	165.03	228.79
<b>Total</b>	<b>1,856.00</b>	<b>1,571.83</b>

**30. TAXES RECONCILIATION**

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>(a) Income tax expense</b>		
(i) Current tax		
Current tax on profits for the year	3,131.16	1,489.92
Short/(Excess) provision of earlier year	0.90	3.14
	<b>3,132.06</b>	<b>1,493.06</b>



(All amounts are in ₹ Lakhs unless otherwise stated)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
(ii) Total Deferred tax expenses (Benefits)	11.60	10.74
	<b>11.60</b>	<b>10.74</b>
<b>Total Income tax expenses (i + ii)</b>	<b>3,143.66</b>	<b>1,503.80</b>
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate</b>		
Profit before income tax expense	12,332.47	5,816.04
Tax at the Indian tax rate of 25.17% (2022-23 - 25.17%)	3,103.84	1,463.78
Depreciation	(21.04)	(16.43)
Non-deductible tax expenses (Disallowances u/s 43B)	1.80	3.78
Short/(Excess) provision of earlier year	0.90	3.14
Others (including deferred tax)	58.16	49.53
<b>Income Tax Expense</b>	<b>3,143.66</b>	<b>1,503.80</b>

### 31. EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

#### i. Profit attributable to Equity holders of Company:

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Profit attributable to equity holders of the Company for basic and diluted earnings per share	9,188.81	4,312.24

#### ii. Weighted average number of ordinary shares:

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Issued ordinary shares(in Nos)	76,26,800	38,13,400
Weighted average number of shares at 31 <sup>st</sup> March for basic and diluted earnings per shares	76,26,800	38,13,400
<b>Basic earnings per share</b>	<b>120.48</b>	<b>113.08</b>

### 32. DISCLOSURE AS REQUIRED UNDER IND AS 19 - EMPLOYEE BENEFITS

#### [A] Defined contribution plans:

The Company makes contributions towards provident fund to defined contribution retirement benefit plan for qualifying employees. The provident fund contributions are made to Government administered Employees Provident Fund. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

The Company recognised ₹ 29.43 Lakhs (P.Y: ₹ 26.92 Lakhs) for provident fund contributions in the Statement of Profit and Loss.

#### [B] Defined benefit plan:

The Company makes annual contributions to Shilchar Technologies Limited Employees' Gratuity Fund managed by LIC, a funded defined benefit plan for qualifying employees. The scheme provides for payment to vested employees as under:

- On normal retirement/early retirement/withdrawal/resignation: As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.
- On death in service: As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

(All amounts are in ₹ Lakhs unless otherwise stated)

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at 31<sup>st</sup> March, 2024.

### Defined benefit plans/compensated absences - As per actuarial valuation

#### a) Reconciliation in present value of obligations (PVO) - Defined Benefit Obligation:

Particulars	Gratuity Funded as on	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Present value of Benefit Obligations at the beginning of the period	115.05	103.22
Current Service Cost	19.66	18.60
Interest Cost	8.17	7.64
Benefits Paid	(6.25)	(4.31)
Actuarial (Gains)/Losses due to change in assumptions	(9.04)	(10.10)
<b>Present value of Benefit Obligations at the end of the period</b>	<b>127.59</b>	<b>115.05</b>

#### b) Change in fair value of plan assets:

Particulars	Gratuity Funded as on	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Fair value of Plan assets at the beginning of the year	9.97	13.41
Expected Return on plan assets	1.02	0.83
Contributions by Employer	15.00	-
Benefits paid	(6.25)	(4.31)
Actuarial Gains and (Losses)	0.51	0.03
<b>Fair value of Plan assets at the end of the year</b>	<b>20.24</b>	<b>9.97</b>

#### c) Reconciliation of PVO and fair value of plan assets:

Particulars	Gratuity Funded as on	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Present value of Benefit Obligations at the end of the period	127.59	115.05
Fair value of Plan assets at the end of the year	20.24	9.97
<b>Net (Asset)/Liability recognised in Balance sheet</b>	<b>107.34</b>	<b>105.08</b>

#### d) Net Expenses recognised in the statement of Profit and Loss accounts:

Particulars	Gratuity Funded as on	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Net Interest Cost	7.15	6.81
Current Service Cost	19.66	18.60
<b>Total</b>	<b>26.81</b>	<b>25.40</b>

#### e) Amount recognised in Other comprehensive income remeasurements:

Particulars	Gratuity Funded as on	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Actuarial (Gains)/Losses	(9.54)	(10.13)

#### f) Assumptions used in the accounting for the gratuity plan:

Particulars	Gratuity Funded as on	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Discount Rate (%)	7.10%	7.40%
Rate of return on plan assets ( For funded scheme) (%)	7.67%	6.47%
Salary escalation rate (%)	7.00%	7.00%
Mortality*		

\* Indian Assured Lives Mortality (2012-14)

(All amounts are in ₹ Lakhs unless otherwise stated)

**g) Sensitivity Analysis:**

Particulars	Gratuity Funded as on	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
+1.00% Change in Rate of Discounting	119.45	107.40
-1.00% Change in Rate of Discounting	137.23	124.10
+1.00% Change in Rate of Salary escalation	137.14	124.04
-1.00% Change in Rate of Salary escalation	119.38	107.31
+1.00% Change in Rate of Withdrawal	127.66	115.18
-1.00% Change in Rate of Withdrawal	127.51	114.92

**Leave Encashment Disclosure as per Actuarial Valuation**

The Company's Long Term benefits includes Leave Encashment payable at the time of retirement subject to, policy of maximum leave accumulation of Company. The scheme is not funded.

Particulars	Leave Encashment Not Funded	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Expense recognised in the Statement of Profit &amp; Loss Account</b>		
Current Service Cost	13.55	12.76
Net Interest Cost	2.35	2.05
Net Value of re-measurements on the obligation and plan assets	7.58	10.81
Total expense	23.48	25.62
Actuarial loss/(gain) due to change in financial assumptions	0.66	(1.42)
Actuarial loss/(gain) due to change in experience assumptions	6.93	12.23
Net Actuarial loss/(gain)	7.58	10.81
<b>Net Asset/(Liability) recognised in the Balance Sheet</b>		
Opening Defined Benefit Obligation	33.10	27.69
Current Service Cost	13.55	12.76
Interest Cost	2.35	2.05
Actuarial loss/(gain) due to change in financial assumptions	0.66	(1.42)
Actuarial loss/(gain) due to change in experience assumptions	6.93	12.23
Benefits Paid	(22.75)	(20.21)
<b>Closing Defined Benefit Obligation</b>	<b>33.83</b>	<b>33.10</b>

**33. RELATED PARTY DISCLOSURES****a) Name of the related party and nature of relationship:**

Sr. No.	Particulars	Relationship
<b>I</b>	<b>Key Managerial Personnel/Directors</b>	
	Mr. Alay Shah	Chairman & Managing Director
	Mr. Mukesh Patel (Upto 31.03.2024)	Independent Director
	Mrs. Reshma Patel	Independent Director
	Mr. Aashay Alay Shah	Executive Director
	Mr. Zarkis Jahangir Parabia	Independent Director
	Mr. Rajesh Varma	Independent Director
	Mr. Prajesh Purohit	Chief Financial Officer
	Ms. Nikki Tiwari (Upto 30.12.2023)	Company Secretary
	Ms. Mauli Mehta (w.e.f 06.03.2024)	Company Secretary
	Mr. Rakesh Bansal (w.e.f. 06.02.2024)	Independent Director
<b>II</b>	<b>Relatives of Key Managerial Personnel</b>	
	Mrs. Shilpa Shah	Relative of Key Management Person
	Mr. Aatman Shah	Relative of Key Management Person
<b>III</b>	<b>Entities controlled by Directors/Relatives of Directors</b>	
	NILE Transformers Limited	Entities controlled by Directors/Relatives of Directors

(All amounts are in ₹ Lakhs unless otherwise stated)

**b) Key Managerial Personnel Compensation:**

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Short-term employee benefits	830.07	479.39
Terminal Benefits	43.02	40.63
Other Benefits	146.20	62.12
<b>Total Compensation</b>	<b>1,019.29</b>	<b>582.14</b>

**c) Transactions with Related Parties:**

During the year, the following transactions were carried out with related parties and relative of Key Managerial Personnel in the ordinary course of the business:

Sr. No.	Key Managerial Personnel and their relatives	Name of Parties	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Key Managerial Personnel</b>				
1	Remuneration	Mr. Alay Shah (Including Commission)	762.84	421.25
		Mr. Prajesh Purohit	14.99	12.32
		Ms. Nikki Tiwari	2.03	1.86
		Ms. Mauli Mehta	0.27	-
		Mr. Aashay Shah	49.94	43.96
2	Relative of Key Management Person Remuneration	Mr. Atman shah	29.23	22.55
3	Dividend paid	Mr. Alay Shah	104.55	41.82
		Mrs. Shilpa Shah	40.20	16.08
		Mr. Atman shah	39.44	15.77
		Mr. Aashay Shah	39.44	15.77
4	Perquisites	Mr. Alay Shah	1.74	3.33
		Mr. Ashay Shah	0.47	1.20
5	Sitting Fees	Mr. Mukesh Patel	1.80	1.55
		Mrs. Reshma Patel	1.75	1.10
		Mr. Zarksis Jahangir Parabia	1.25	1.05
		Mr. Rajesh Varma	1.30	1.20
6	Sale of Goods & Services	Nile Transformers Limited	301.57	137.51

**d) Outstanding Balances:**

Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
1	<b>Entities controlled by Directors/Relatives of Directors</b>		
	<b>Trade Receivables</b>		
	Nile Transformers Limited	123.79	(9.95)
2	<b>Key Managerial Personnel and Relatives</b>		
	Mr. Alay Shah	122.47	197.22
	Mr. Aashay Shah	3.00	2.67
	Mr. Aatman Shah	1.70	1.02
	Mr. Prajesh Purohit	0.77	0.99
	Ms. Mauli Mehta	0.25	0.00
	Ms Nikki Tiwari	0.00	0.14

(All amounts are in ₹ Lakhs unless otherwise stated)

**34. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**

Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(i)	<b>Contingent liabilities</b>		
a)	Liabilities Disputed in appeals		
	- Value Added Tax	4.48	4.48
b)	Claims against the Company not acknowledged as debt (on account of outstanding law suits)	0.23	0.23
c)	Letter of Credit and Bank Guarantees	3,847.28	3,714.05
(ii)	<b>Capital Commitments</b> (Estimated amount of contracts to be executed on account of Property, Plant and Equipment )(Net of advances)	214.34	38.42

**35. DISCLOSURE PURSUANT LEASES****As Lessor:**

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date:

Particulars	Rs in Lakhs
Less than one year	32.76
<b>Total</b>	<b>32.76</b>

**36. DISCLOSURE RELATED TO MICRO, SMALL AND MEDIUM ENTERPRISES**

On the basis of confirmation obtained from the supplier who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(a)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
	i) Principle Amount	437.14	74.66
	ii) Interest Due thereon	NIL	NIL
(b)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

**37. PAYMENTS TO AUDITORS**

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Statutory Auditors</b>		
Audit fees (including limited review)	3.20	2.75
Tax related matters	0.68	0.65
For certification	0.30	0.44
Fees for other services	0.34	0.15

(All amounts are in ₹ Lakhs unless otherwise stated)

**38. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects as specified in Schedule VII of the Companies Act, 2013. The details of amount required to be spent and actual expenses spent during the year is as under:

Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(i)	Amount required to be spent by the Company during the year	56.44	18.89
(ii)	Amount of expenditure incurred	56.66	27.47
(iii)	Shortfall at the end of the year	-	-
(iv)	Total of previous years shortfall	-	-
(v)	Reason for shortfall	-	-
(vi)	Nature of CSR activities	Promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects	
(vii)	Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant AS	-	-
(viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	N.A.	N.A.

**39. OPERATING SEGMENTS**

The activities of the Company relate to only one segment i.e. Transformers & Parts.

**Geographical Information**

The analysis of geographical information is based on the geographical location of the customers. The geographical information considered for disclosure are as follows:

**Revenue by Geography**

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Within India	19,823.59	13,541.60
Outside India	19,864.22	14,482.53

**Carrying value of segment assets**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Within India	24,758.14	11,539.89
Outside India	4,490.22	6,236.80

**Property, Plant and Equipment by Geographical Locations**

The Company has common PPE for producing goods for domestic as well as overseas market. There are no PPE situated outside India. Hence, additional segment-wise information for PPE/additions to PPE has not been furnished.

**40. DIVIDENDS TO NON-RESIDENT SHAREHOLDERS**

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Dividend	5.36	6.19
Number of Non-resident shareholders	2	2
Number of Equity shares held by such Non-resident shareholders	53,599	154,653
Year to which Dividend relates	2022-23	2021-22

(All amounts are in ₹ Lakhs unless otherwise stated)

**41. INVESTMENT PROPERTY**

(i)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Amount Recognised in profit or loss for Investment properties Rental Income	42.63	40.59
Depreciation	2.78	2.77
<b>Profit from Investment Property</b>	<b>39.85</b>	<b>37.82</b>

(ii)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Fair Value</b>		
Investment Properties	757.44	757.44
<b>Total</b>	<b>757.44</b>	<b>757.44</b>

**Estimation of Fair Value: Method of Estimation**

The fair value of investment property is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

**42. TRADE RECEIVABLE AGEING SCHEDULE****As at 31<sup>st</sup> March, 2024**

Particulars	Outstanding for following periods from the date of transaction					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	9,206.08	69.23	108.90	65.97	13.23	9,463.42
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
(vii) Expected Credit Loss						(101.04)
<b>Total</b>						<b>9,362.37</b>

**As at 31<sup>st</sup> March, 2023**

Particulars	Outstanding for following periods from the date of transaction					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	8,637.15	598.01	30.64	25.16	-	9,290.97
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-

(All amounts are in ₹ Lakhs unless otherwise stated)

Particulars	Outstanding for following periods from the date of transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
(vii) Expected Credit Loss						(80.31)
<b>Total</b>						<b>9,210.65</b>

### 43. TRADE PAYABLE AGEING SCHEDULE

As at 31<sup>st</sup> March, 2024

Particulars	Outstanding for following periods from the date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	437.14	-	-	-	437.14
(ii) Others	5,039.66	8.65	3.77	2.25	5,054.33
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

As at 31<sup>st</sup> March, 2023

Particulars	Outstanding for following periods from the date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	74.66	-	-	-	74.66
(ii) Others	3,526.33	18.90	3.29	6.90	3,555.43
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

### 44. RATIOS

a) Current ratio = Current assets divided by current liabilities

Particulars	2023-24	2022-23
Current Assets	24,395.70	13,570.58
Current Liabilities	7,956.55	5,309.48
<b>Ratio (in times)</b>	<b>3.07</b>	<b>2.56</b>
<b>% change from previous year</b>	<b>19.96</b>	

b) Debt equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non-current borrowings

Particulars	2023-24	2022-23
Total debt (including current maturities and interest accrued)	N.A.	N.A.
Shareholder's Equity	20,958.83	12,144.23
<b>Ratio (in times)</b>	<b>-</b>	<b>-</b>
<b>% change from previous year</b>	<b>-</b>	<b>-</b>



(All amounts are in ₹ Lakhs unless otherwise stated)

**c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments**

Particulars	2023-24	2022-23
Net profit after tax	9,188.81	4,312.24
<b>Add:</b> Non cash operating expenses and finance cost		
- Depreciation and amortisation	259.84	240.36
- Interest on term loan	-	15.59
<b>Earnings available for debt services</b>	<b>9,448.64</b>	<b>4,568.19</b>
- Interest on term loan	-	15.59
- Principal repayments	-	537.72
<b>Total Interest and principal repayments</b>	<b>-</b>	<b>553.32</b>
<b>Ratio (in times)</b>	<b>-</b>	<b>8.26</b>
<b>% change from previous year</b>	<b>-100.00</b>	

**Reason:** Due to increase in profitability, term loan repaid and reduction of interest of credit facilities.**d) Return on Equity Ratio = Net profit after tax divided by Average Shareholder's Equity**

Particulars	2023-24	2022-23
Net profit after tax	9,188.81	4,312.24
Average Shareholder's Equity	16,551.53	10,060.58
<b>Ratio (in %)</b>	<b>55.52%</b>	<b>42.86%</b>
<b>% change from previous year</b>	<b>29.52</b>	

**Reason:** Due to increase in profitability**e) Inventory Turnover Ratio = sales divided by Average Inventory**

Particulars	2023-24	2022-23
Sales	39,687.82	28,024.12
Average Inventory	4,134.11	2,732.50
<b>Ratio (in times)</b>	<b>9.60</b>	<b>10.26</b>
<b>% change from previous year</b>	<b>6.39</b>	

**f) Trade Receivables turnover ratio = Credit Sales divided by average trade receivables**

Particulars	2023-24	2022-23
Credit sales	39,687.82	28,024.12
Average trade receivable	9,286.52	8,055.35
<b>Ratio (in times)</b>	<b>4.27</b>	<b>3.48</b>
<b>% change from previous year</b>	<b>22.84</b>	

**g) Trade Payable turnover ratio = Credit purchase divided by Average trade payable**

Particulars	2023-24	2022-23
Credit purchase	28,640.08	19,067.94
Average trade payable	4,560.78	3,599.03
<b>Ratio (in times)</b>	<b>6.28</b>	<b>5.30</b>
<b>% change from previous year</b>	<b>18.53</b>	

(All amounts are in ₹ Lakhs unless otherwise stated)

**h) Net capital turnover ratio = Sales divided by Working capital whereas working capital: current assets - current liabilities**

Particulars	2023-24	2022-23
Net sales	39,687.82	28,024.12
Working capital	16,439.15	8,261.11
<b>Ratio (in times)</b>	2.41	3.39
<b>% change from previous year</b>	-28.83	

**Reason:** Due to increase in working capital in proportion of increase in sales.**i) Net profit ratio = Net profit after tax divided by Sales**

Particulars	2023-24	2022-23
Net profit after tax	9,188.81	4,312.24
Net sales	39,687.82	28,024.12
<b>Ratio (in %)</b>	23.15%	15.39%
<b>% change from previous year</b>	50.46	

**Reason:** Due to increase in profitability of the Company.**j) Return on Capital employed = Earnings before interest and taxes(EBIT) divided by Capital Employed**

Particulars	2023-24	2022-23
Earnings before interest and taxes	12,353.44	5,876.00
Capital Employed	21,210.14	12,381.99
<b>Ratio (in %)</b>	58.24%	47.46%
<b>% change from previous year</b>	22.73	

**k) Return on Investment**

Particulars	2023-24	2022-23
Income generated from investments	126.82	34.30
Average Investments	1,367.91	346.45
<b>Ratio (in %)</b>	9.27%	9.90%
<b>% change from previous year</b>	-6.35	

**45. BORROWINGS SECURED AGAINST CURRENT ASSETS**

The Company has borrowings from banks secured against Current Assets and quarterly returns filed with the banks are in agreement with the books.

**46. OTHER STATUTORY INFORMATION**

- a) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b) The Company do not have any transactions with struck off companies.
- c) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d) The Company have not traded or invested in Crypto currency or Virtual Currency during the year.
- e) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (i) 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
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- f) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (i) 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

(All amounts are in ₹ Lakhs unless otherwise stated)

- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- g) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- h) There are no Scheme of Arrangements that has been approved by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013.

## 47. FAIR VALUE MEASUREMENTS

### Financial instruments by category

Particulars	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
<b>Financial Assets</b>						
Investments						
- Mutual Fund	2,042.93	-	-	692.89	-	-
Trade Receivables	-	-	9,362.37	-	-	9,210.66
Cash and Cash Equivalents	-	-	3,345.51	-	-	859.78
Bank Balances other than above	-	-	2,670.56	-	-	68.36
Other Financial Assets	-	-	406.22	-	-	327.34
<b>Total Financial Assets</b>	<b>2,042.93</b>	<b>-</b>	<b>15,784.67</b>	<b>692.89</b>	<b>-</b>	<b>10,466.14</b>
<b>Financial Liabilities</b>						
Trade payables	-	-	5,491.47	-	-	3,630.09
Other current financial Liabilities	-	-	114.50	-	-	15.08
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>5,605.97</b>	<b>-</b>	<b>-</b>	<b>3,645.17</b>

#### (i) Fair value hierarchy

This Section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

#### Financial Assets and Liabilities measured at fair value - recurring fair value measurements

As at 31 <sup>st</sup> March, 2024	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
<b>Financial Investments at FVTPL</b>					
Investment in Mutual Fund	8	2,042.93	-	-	2,042.93
<b>Total Financial Assets</b>		<b>2,042.93</b>	<b>-</b>	<b>-</b>	<b>2,042.93</b>
Financial Liabilities		-	-	-	-
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Financial Assets and Liabilities measured at fair value - recurring fair value measurements

As at 31 <sup>st</sup> March, 2023	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
<b>Financial Investments at FVTPL</b>					
Investment in Mutual Fund	8	692.89	-	-	692.89
<b>Total Financial Assets</b>		<b>692.89</b>	<b>-</b>	<b>-</b>	<b>692.89</b>
Financial Liabilities		-	-	-	-
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(All amounts are in ₹ Lakhs unless otherwise stated)

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

#### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments;
- the fair value of the remaining financial instruments is determined using discounted analysis (if any).

## 48. FINANCIAL RISK MANAGEMENT

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

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. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

### (A) Credit risk

Credit risk is the risk of incurring a loss that may arise from a borrower or debtor failing to make required payments. Credit risk arises mainly from outstanding receivables from free market dealers, cash and cash equivalents, employee advances and security deposits. The Company manages and analyses the credit risk for each of its new clients before standard payment and delivery terms and conditions are offered.

### (i) Credit risk management

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer and including the default risk of the industry, also has an influence on credit risk assessment. 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 considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business;
- ii) Actual or expected significant changes in the operating results of the counterparty;
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- iv) Significant increase in credit risk on other financial instruments of the same counterparty;
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognized from initial recognition of the receivables. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit Losses (ECL), the Company considers reasonable and relevant information that is 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.

The following table provides informations about the exposure to credit risk and ECL's for trade receivable:

As at 31 <sup>st</sup> March, 2024	Gross carrying amount	Weighted average loss rate - range	Loss allowance
<b>Neither past due not impaired</b>			
0-1 year	9,275.31	0.66%	61.60
1-2 years	108.90	15%	16.34

(All amounts are in ₹ Lakhs unless otherwise stated)

As at 31 <sup>st</sup> March, 2024	Gross carrying amount	Weighted average loss rate - range	Loss allowance
2-3 years	65.97	25%	16.49
More than 3 years	13.23	50%	6.62
Specific provision	-	-	-
<b>Total</b>	<b>9,463.42</b>		<b>101.04</b>

As at 31 <sup>st</sup> March, 2023	Gross carrying amount	Weighted average loss rate - range	Loss allowance
<b>Neither past due not impaired</b>			
0-1 year	9,235.16	0.77%	70.96
1-2 years	30.64	10%	3.06
2-3 years	25.16	25%	6.29
Specific provision	-	-	-
<b>Total</b>	<b>9,290.97</b>		<b>80.31</b>

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

### (B) 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 responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### (i) Maturities of financial liabilities

The tables herewith analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

#### Contractual maturities of financial liabilities

Particulars	Less than 1 year	More than 1 year	Total
<b>As at 31<sup>st</sup> March, 2024</b>			
<b>Non-derivatives</b>			
Trade payables	5,491.47	-	5,491.47
Other financial liabilities	107.00	7.50	114.50
<b>Total Non-derivative liabilities</b>	<b>5,598.47</b>	<b>7.50</b>	<b>5,605.97</b>
<b>As at 31<sup>st</sup> March, 2023</b>			
<b>Non-derivatives</b>			
Trade payables	3,630.09	-	3,630.09
Other financial liabilities	7.58	7.50	15.08
<b>Total Non-derivative liabilities</b>	<b>3,637.67</b>	<b>7.50</b>	<b>3,645.17</b>

### (C) Market risk

#### (i) Foreign currency risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The risk is measured through a forecast of foreign currency for the Company's operations.

(All amounts are in ₹ Lakhs unless otherwise stated)

The Company's exposure to foreign currency risk at the end of the reporting period expressed in Indian Rupee, are as follows:

**(i) Trade receivable and other Receivable**

Currency	As at 31 <sup>st</sup> March, 2024		
	Trade receivable and other receivable	Hedges available	Net exposure to foreign currency risk
USD	4,499.77	-	4,499.77
EURO	3.82	-	3.82

Currency	As at 31 <sup>st</sup> March, 2023		
	Trade receivable and other receivable	Hedges available	Net exposure to foreign currency risk
USD	6,236.80	-	6,236.80
EURO	-	-	-

**(ii) Trade payable and other Payables**

Currency	As at 31 <sup>st</sup> March, 2024		
	Trade receivable and other receivable	Hedges available	Net exposure to foreign currency risk
USD	-	-	-
EURO	3.30	-	3.30

Currency	As at 31 <sup>st</sup> March, 2023		
	Trade receivable and other receivable	Hedges available	Net exposure to foreign currency risk
USD	-	-	-
EURO	-	-	-

**Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly in USD sensitivity from unhedged foreign currency denominated financial instruments:

Particulars	Impact on profit after tax	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
USD sensitivity		
INR/USD increases by 5%	225.01	311.84
INR/USD decreases by 5%	(225.01)	(311.84)

**49. CAPITAL MANAGEMENT****Risk management**

For the purpose of the Company's capital management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimise returns to the shareholders and makes adjustments to it in light of changes in economic conditions or its business requirements. The Company's objectives are to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Company funds its operation through internal accruals. The management and Board of Directors monitor the return on capital as well as the level of dividends to shareholders.

(All amounts are in ₹ Lakhs unless otherwise stated)

**50. EVENT AFTER REPORTING PERIOD**

The Board of Director recommended final dividend of ₹ 12.50 per equity share for the financial year ended on 31<sup>st</sup> March, 2024. The payment is subject to approval of share holder in ensuing Annual General Meeting of the Company. (Previous year ₹ 10 per equity share).

**51.** These Financial Statements were authorised for issue in accordance with the resolution of the Board of Directors in its meeting held on 30<sup>th</sup> April, 2024.

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

As per our Report of even date

For and on behalf of Board of Directors of  
**Shilchar Technologies Limited**

For **CNK & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 101961W/W-100036

**Alay Shah**  
Managing Director  
DIN: 00263538

**Aashay Shah**  
Director  
DIN: 06886870

**Rachit Sheth**  
Partner  
Membership No.: 158289

**Mauli Mehta**  
Company Secretary


**Prajesh Purohit**  
Chief Financial Officer

**Place:** Bill, Vadodara  
**Date:** 30<sup>th</sup> April, 2024

**Place:** Bill, Vadodara  
**Date:** 30<sup>th</sup> April, 2024



## **SHILCHAR TECHNOLOGIES LIMITED**

 Near Muval Sub Station,  
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