IMP POWERS LTD.
Corporate Office : 35/C, Popular Press Building, 2nd Floor, PT M. M. Malviya Road, Tardeo, Mumbai - 34. Tel : 91 22 2353 9180-84
Fax : 91 22 2353 9186-87 • E-mail : info@imp-powers.com
CIN : L31300DN1961PLC000232

September 08, 2021

To,
Listing Department
**BSE Limited**
1st Floor, Phiroze Jeejeebhoy Tower,
Dalal Street, Fort,
Mumbai - 400 001,
**Scrip Code: 517571**

Listing Department
**National Stock Exchange of India Limited**
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051,
**Symbol: INDLMETER**

**Subject: Notice of 59th Annual General Meeting (AGM) and Annual Report for the financial year 2020-21 and details of Remote E-voting.**

Dear Sir / Madam,

We wish to inform you that the 59th Annual General Meeting ("the AGM") of the Members of the Company will be held on Thursday, September 30, 2021 at 2:00 p.m. through Video Conferencing (" VC") or Other Audio Visual Means ("OAVM") in compliance with General Circular No. 20/2020 dated May 5, 2020 read together with General Circular Nos. 14/2020, 17/2020 dated April 8, 2020 and April 13, 2020 respectively issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI / HO/ CFD/CMD1 /CIR/ P/ 2020/ 79 dated May 12, 2020 issued by the Securities and Exchange Board of India ("SEBI") (hereinafter collectively referred to as the "Circulars").

Pursuant to Regulation 30 read together with Clause 12 of Part A of Schedule III to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and Regulation 34(1) of the Listing Regulations, please find enclosed herewith the Notice convening 59th Annual General Meeting and Annual Report of the Company for financial year 2020-21, which is also being sent to those Members whose email addresses are registered with the Company/Depository Participant(s)/ Registrar and Share Transfer Agents of the Company and the Depositories viz. the National Securities Depository Limited and Central Depository Services (India) Limited, through electronic mode in accordance with aforesaid Circulars for your records.

The details of remote e-voting are as follows:

| | |
|---|---|
| Date & Time of 59th AGM | Thursday , September 30, 2021 at 2:00 p.m. |
| E-voting Cut-off Date | Thursday, September 23, 2021 |
| E-voting Period | From Monday, September 27, 2021 at 9:00 a.m. to Wednesday, September 29, 2021 at 5:00 p.m. |

Notice of the 59th AGM and Annual Report for 2020-21 are also available on the website of the Company www.imp-powers.com

Kindly take the above information on your records.

Thanking you,
**Yours faithfully,**
**For IMP Powers Limited**

IMP POWERS LTD. MUMBAI

**Anita Jaiswal**
**Company Secretary & Compliance Officer**

श्री

IMP

# IMP POWERS LTD

**ISO 9001:2008 ISO 14001:2004 COMPANY**

# 59th ANNUAL REPORT

2020-2021

IMP POWERS LTD 59th YEARS OF ENERGIZING INDIA Since 1961 तमसो मा ज्योतिर्गमय

CERTIFICATE NO. : T-2486

NABL Accredited Lab

# IMP POWERS LIMITED

CIN: L31300DN1961PLC000232
Registered Office: Survey No. 263/3/2/2, Village Sayli, Umar Kuin Road, Silvassa – 396 230,
Dadra Nagar Haveli (U.T.)
Tel. No. 0260-6538571; Fax No. 0260-2681043
E-mail: investor@imp-powers.com Website: www.imp-powers.com

**BOARD OF DIRECTORS**

| | |
|---|---|
| Shri Ramniwas R. Dhoot | Chairman & Non-Executive Director (upto15th March, 2021) |
| Shri Ramdas T. RajGuroo | Chairman & Independent Director |
| Shri Ajay R. Dhoot | Vice-Chairman & Whole-time Director |
| Shri Aditya R. Dhoot | Managing Director |
| Shri Praveen Saxena | Independent Director |
| Shri Prashant J. Pandit | Independent Director |
| Smt. Dipali S. Pitali | Independent Director (upto10th February, 2021) |
| Smt. Khushboo Kharloya | Additional Independent Director (appointed w.e.f. 30th June, 2021) |

**CHIEF FINANCIAL OFFICER**
Shri Bakul K. Desai (upto 30th July, 2020)
Shri Shanti Lal Surana (w.e.f. 29th January, 2021)

**STATUTORY AUDITORS**
M/s. V. S. Somani & Co.

**COMPANY SECRETARY**
Shri Vibhav S. Ranade (resigned w.e.f. 04/12/2020)
Ms. Anita Jaiswal (appointed w.e.f. June 03, 2021)

**INTERNAL AUDITORS**
M/s. Mitul B. Shah & Associates

**BANKERS**
State Bank of India
Bank of India
The Karnataka Bank Limited
IDBI Bank Limited
Axis Bank Limited
Indian Bank

**SECRETARIAL AUDITOR**
Priya Shah & Associates

**REGISTRAR & SHARE TRANSFER AGENTS**
Link Intime India Private Limited
C-101, 247 Park, L. B. S. Marg, Vikhroli (West),
Mumbai – 400 083, Maharashtra

**REGISTERED OFFICE & FACTORY**
Survey No. 263/3/2/2, Village Sayli,
Umar Kuin Road, Silvassa – 396 230,
Dadra & Nagar Haveli (U.T.)
Tel. No. 0260 – 6538571
Fax. No. 0260 – 2681043
Email ID: silvasaworks@imp-powers.com

**CORPORATE OFFICE**
35/C, Popular Press Building, 2nd Floor,
Pt. M. M. Malviya Road, Tardeo,
Mumbai – 400 034, Maharashtra
Tel. No. 022 – 2353 9180-85
Fax No. 022 – 2353 9186-87
Email ID: info@imp-powers.com

**59th Annual General Meeting**

Thursday, 30th September, 2021 at 2.00 p.m. through Video Conferencing / Other Audio Visual Means

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# NOTICE OF THE 59TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the **59th Annual General Meeting of the members of IMP Powers Limited** will be held on Thursday, 30th September, 2021 at 2.00 P.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Company for the Financial year ended 31st March, 2021 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Ajay Ramniwas Dhoot (DIN: 00210424), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

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

   **"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, [including any statutory modification(s) or re-enactment thereof] for the time being in force, a remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) as approved by the Board of Directors based on the recommendations of Audit Committee of the Company, be paid to M/s. N. Ritesh & Associates, Cost Accountant, for the conduct of the Audit of the cost accounting records of the Company, for the financial year ending 31st March, 2022, be and is hereby ratified and confirmed."

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

   **"RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Ms. Khushboo Kharloya (DIN: 09168951), be and is hereby appointed as an Independent Director of the Company for a term of five years commencing from June 30, 2021 to June 29, 2026, not liable to retire by rotation;

   **RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution without being required to seek any further consent or approval of the members or otherwise to the end and intent that it shall be deemed to have their approval thereto expressly by the authority of this resolution."

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

   **"RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and Articles of Association of the Company and based on the recommendation of Nomination and Remuneration Committee and approval of the Board, consent of the Members of the Company be and is hereby accorded to re-appoint Shri Ajay R Dhoot (DIN: 00210424) as Vice Chairman & Whole-time Director of the Company for a period of three years with effect from April 1, 2022, at such remuneration, upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said reappointment and / or remuneration in such manner as may be agreed to between the Board of Directors and Shri Ajay R Dhoot.

   **RESOLVED FURTHER THAT** the remuneration payable to Shri Ajay R Dhoot, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 read with Schedule V of the said Act or such other limits as may be prescribed from time to time.

   **RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to Nomination and Remuneration Committee or Director(s) to give effect to the aforesaid resolution.

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

   **"RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and Articles of Association of the Company and based on the recommendation of Nomination and Remuneration Committee and approval of the Board, consent of the Members of the Company be and is hereby accorded to re-appoint Shri Aditya R Dhoot (DIN: 00057224) as Managing Director of the Company for a period of three years with effect from April 1, 2022, at such remuneration, upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and/or remuneration in such manner as may be agreed to between the Board of Directors and Shri Aditya R Dhoot".

**RESOLVED FURTHER THAT** the remuneration payable to Shri Aditya R Dhoot, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 read with Schedule V of the said Act or such other limits as may be prescribed from time to time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to Nomination and Remuneration Committee or Director(s) to give effect to the aforesaid resolution.

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri. Praveen Saxena (DIN 03199264) Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years with effect from May 27, 2021 to May 26, 2026 and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized 'Committee' thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

**By Order of the Board of Directors of**

**IMP Powers Limited**

**Sd/-**

**Aditya R. Dhoot**
**Managing Director**
**DIN: 00057224**

Date: 04th September, 2021
Place: Mumbai

**Registered Office:**

Survey No.263/3/2/2,
Umar Kuin Road, Village Sayli,
Silvassa – 396 230, Dadra & Nagar Haveli (U.T.)
CIN: L31300DN1961PLC000232

**NOTES:**

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has vide its Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020 (collectively referred to as MCA Circulars) permitted the holding of the Annual General Meeting (AGM) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("the Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the 59th AGM is being held through VC / OAVM. The detailed procedure for participating in the AGM through VC/OAVM is annexed herewith and also available at the Company's website www.imp-powers.com
2. A member entitled to vote at the AGM is entitled to appoint proxy to attend and vote on his/her behalf and proxy need not be a member. Pursuant to the MCA Circulars, 59th AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/ OAVM and cast their votes through e-voting.
3. The Institutional/Corporate Shareholders (i.e. other than individuals/HUF/NRI etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body resolution/authorization etc., with attested specimen signature of the duly authorized representative, authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through e-voting. The said resolution/authorization shall be sent to the Company by email through its registered email address to investor@imp-powers.com with a copy marked to e-voting@ nsdl.co.in at least 48 hours before the commencement of AGM.
4. The Register of Members and the Share Transfer books of the Company will remain closed from 23rd September, 2021 to 30th September, 2021 (both days inclusive).
5. 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.

6. The Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Item No. 3 to 7 above is annexed hereto and forms part of the Notice. The relevant details, pursuant to Regulations 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/reappointment at this AGM are also annexed to this Report.
8. The Company's Registrar and Transfer Agents for its share registry work (Physical and Electronic) are Link Intime India Private Limited.
9. Members holding shares in physical form are requested to inform the Company's Registrars and Transfer Agents (RTA), M/s. Link Intime India Private Limited immediately of any change in their address and bank details. Members holding shares in dematerialized form are requested to intimate all changes with respect to their address, bank details etc. to their respective Depository Participants. These changes will then be automatically reflected in the Company's records. This will help the Company to provide efficient and better service to the Members.
10. Members holding shares in dematerialized form are requested to register their latest Bank Account details (Core Banking Solutions enabled account number, 9 digit MICR and 11 digit IFSC code) and Permanent Account Number (PAN) with their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA as the same is mandated by the Securities and Exchange Board of India.
11. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or RTA in this regard.
12. Queries on accounts may please be sent to the Company 10 (Ten) days in advance of the Annual General Meeting so that the answers may be made available at the meeting.
13. The Company is in process of transferring unclaimed amounts of Final Dividend for F.Y. 2012 –13 to the Investor Education and Protection Fund from time to time, as required under Section 124 & 125 of the Companies Act, 2013.
14. The Company is concerned about the environment protection. We request you to update your email address with your Depository Participants to enable us to send you communications via email. Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to provide their e-mail addresses to the Link Intime India Private Limited (RTA) sending an e-mail at rnt.helpdesk@linkintime.co.in or to the Company at investor@imp-powers.com.
15. In line with the MCA Circulars and to support the green initiative only electronic copy of the Annual Report for the year ended March 31, 2021 and Notice of the 59th AGM are being sent to the members whose mail IDs are available with the Company/ DP(s). Physical copy of the report is not sent to anyone. Please note that Annual Report and Notice of the 59th AGM are also posted on the Company's website www.imp-powers.com for download. The Notice of 59th AGM along with Annual Report for FY 2020-21 can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the 59th AGM Notice is also available on the website of NSDL (agency for providing the e-Voting facility) i.e. www.evoting.nsdl.com .
16. Pursuant to the provisions of Section 108 of the Act read together with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-voting system as well as e-voting during the AGM will be provided by NSDL.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Link Intime India Pvt. Ltd., Registrar and Share Transfer Agents, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra.
18. The Company has facilitated the members to participate in the AGM through VC facility provided by National Securities Depository Limited (NSDL). The instructions for participation by members are given in the subsequent paragraphs. Participation in AGM through VC shall be allowed on a first-come-first-served basis.

**19. VOTING THROUGH ELECTRONIC MEANS**

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 read with relevant rules of the Act and provisions of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide facility to members to exercise their right to vote by electronic means.

**REMOTE E-VOTING INSTRUCTIONS:**

The remote e-voting period begins on Monday, September 27, 2021 at 9:00 A.M. and ends on Wednesday, September 29, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. Thursday, September 23, 2021 only shall be entitled to avail the facility of remote e-voting as well as e-voting during the AGM. The voting rights of Members shall be in proportion to their shares in the total paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, September 23, 2021.

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | 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 options available against company name or **e-Voting service provider - NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br>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<br>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 held 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 options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
| Individual Shareholders holding securities in demat mode with CDSL | 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.<br>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote.<br>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration |

| Type of shareholders | Login Method |
|---|---|
| | 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress. |
| 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. Once 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 options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

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

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

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

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

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

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

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. Friday, September 03, 2021 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of

the cut-off date i.e. Friday, September 03, 2021 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

2. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail cspriyashah1@gmail.com with a copy marked to evoting@nsdl.co.in.
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to NSDL at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@imp-powers.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@imp-powers.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

   Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

   In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**PROCEDURE FOR SPEAKER REGISTRATION AND TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:**

I. Members who would like to express their views or ask questions during the 59th AGM may register themselves as a speaker by sending a request in the below given form from their Registered Email ID to investor@imp-powers.com till Monday, September 20, 2021:

   **SPEAKER REGISTRATION FORM***

   Name of Shareholder (including joint holder):

   DPID-CLID / Folio Number:

   Permanent Account Number (PAN):

   Mobile Number & Email ID:

   Profession:

   Query in brief:

   *All fields are mandatory

II. The member whose details are incomplete or inaccurate will not be considered for Speaker.

III. Only those Member who have registered themselves as a Speaker will be allowed to express their views/ask questions during the 59th AGM.

IV. Further, the Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members 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/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investor@imp-powers.com. The same will be replied by the company suitably.

20. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Thursday, 23rd September, 2021 are entitled to vote on the Resolutions, set forth in this Notice.
21. The voting rights of 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 Thursday, 23rd September, 2021.
22. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.
23. CS Priya Shah, Proprietor of M/s. Priya Shah & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
24. The Scrutinizer will submit her report to the Chairman of the Company or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the Stock Exchanges, NSDL and RTA and will also be displayed on the Company's website www.imp- powers.com.
25. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.

**By Order of the Board of Directors of**
**IMP Powers Limited**

Sd/-
**Aditya R. Dhoot**
**Managing Director**
**DIN: 00057224**

Date: 04th September, 2021
Place: Mumbai

**Registered Office:**
Survey No.263/3/2/2,
Umar Kuin Road, Village Sayli,
Silvassa – 396 230, Dadra & Nagar Haveli (U.T.)
CIN: L31300DN1961PLC000232

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT"):**

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("the Act"), sets out all material facts relating to the business mentioned at Item No. 3 to 7, of the accompanying Notice.

**Item No. 3:**

The Board of Directors, on recommendation of the Audit Committee and pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force], has approved the appointment and remuneration of the Cost Auditors, M/s. N. Ritesh & Associates, Cost Accountants (Firm Reg. No. R100675) to conduct the audit of the cost records of the Company for the financial year ending on 31st March, 2022. The remuneration payable to M/s. N. Ritesh & Associates shall be Rs. 50,000/- (Rupees Fifty Thousand only) plus out of pocket expenses and applicable taxes for the aforesaid audit. A Certificate issued by the above firm regarding their independence and eligibility for appointment as Cost Auditors and other relevant documents are available for inspection by the members at Corporate Office of the Company during business hours on any working day of the Company without payment of fee.

In accordance with the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules 2014 and all other applicable rules, the remuneration payable to the Cost Auditors is required to be ratified subsequently by the shareholders. Accordingly, consent of the Members is sought for passing the ordinary resolution as set out at Item No. 3 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending on 31st March, 2022.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the notice. The Board of Directors recommends the Ordinary Resolution set out at Item No. 3 of the notice for approval by the Members.

**Item No.4:**

The Board of Directors of the Company ('the Board') at the meeting held on 30th June, 2021, on the recommendation of the Nomination & Compensation Committee ('the Committee'), recommended for the approval of the Members, the appointment of Smt. Khushboo Kharloya (DIN: 09168951) as Independent Directors of the Company with effect from 30th June, 2021 to 29th June, 2026, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), as set out in the Resolutions relating to her appointment.

The Committee and the Board are of the view that, given the knowledge, experience and performance of Smt. Khushboo Kharloya, her association would benefit the Company. Declarations have been received from Smt. Khushboo Kharloya that she meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations 2015.

In the opinion of the Board, Smt. Khushboo Kharloya fulfils the conditions specified in the Act, the Rules there-under and the Listing Regulations 2015 for the appointment as Independent Directors and she is independent of the management of the Company.

Consent of the Members by way of Ordinary Resolution is required for the appointment of Smt. Khushboo Kharloya, in terms of Section 149 of the Act. Requisite Notices under Section 160 of the Act proposing the appointment of Smt. Khushboo Kharloya have been received by the Company, and consent have been filed by Smt. Khushboo Kharloya pursuant to Section 152 of the Act.

Additional information in respect of Smt. Khushboo Kharloya pursuant to the Listing Regulations 2015 and the Secretarial Standard on General Meetings is appearing in the Annexure and forming the part of this Report. Smt. Khushboo Kharloya do not hold any share in the Company, either in their individual capacity or on a beneficial basis for any other person.

Smt. Khushboo Kharloya and her relatives are interested in the Ordinary Resolution relating to her appointment. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Ordinary Resolution. The Board of Directors recommends the Item No.4 to be passed by the members of the Company as an Ordinary Resolution.

**Item No.5:**

The current tenure of Shri Ajay R Dhoot as Vice Chairman & Whole-time Director will be ceased on March 31, 2022. The Board of Directors of the Company (the 'Board'), at its meeting held on 4th September 2021 have, subject to the approval of Members, re-appointed Shri Ajay R Dhoot as Vice-Chairman & Whole-time Director, for a period of 3 (three) years commencing from 1st April, 2022 to 31st March, 2025, at the remuneration recommended by the Nomination and Remuneration Committee of the Board which shall be in accordance with Section II of Part II of Schedule V of the Companies Act, 2013.

Broad particulars of the terms of re-appointment of and remuneration payable to Shri Ajay R Dhoot are as under:

**EMOLUMENTS**

A. BASIC SALARY

The basic salary shall be Rs. 69,00,000/- p.a. (Rupees Sixty Nine Lakhs Only))

B. PERQUISITES

In addition to the remuneration as stated above, Shri Ajay R Dhoot shall be entitled, as per Rules of the Company, to perquisites like:

a. Provident Fund: Contribution to the Provident Fund shall be as per the rules of the Company.

b. Gratuity: Payable in accordance with the rules of the Company.

c. Leave Encashment: Encashment of leave at the end of his tenure as per policy of the Company.

d. House rent allowance, general allowance, club fees, group personal accident insurance, group mediclaim and group term insurance shall be as per Company's policy.

e. Car(s) and telephone(s) will be provided at residence for official use.

The aforesaid perquisites will be subject to tax as per prevailing Income Tax Rules. The basic salary stated above will be inclusive of the value of the perquisites stated at points 'd' and 'e', if provided.

The period of office of Shri Ajay R Dhoot shall be liable to determination by retirement of directors by rotation. If he is re-appointed as a Director, immediately on retirement by rotation he shall continue to hold office of Vice Chairman and Whole-time Director, designated and such re-appointment as Director shall not be deemed to constitute break in his appointment as a Vice Chairman and Whole-time Director. He shall be eligible to stock options, if any.

The Board of Directors be and is hereby authorized to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Section 197 of the Act read with Schedule V of the Companies Act, 2013.

The said Director shall report to the Board of Directors of the Company who shall empower him with such requisite powers (with authority to revoke and/or amend such powers) to enable the said Director to discharge his duties with full responsibility or the area of operations under his control. The said Director shall work under the superintendence, control and direction of the Board of Directors of the Company.

The Vice Chairman & Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.

The Vice Chairman & Whole-time Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel. The Nomination and Remuneration Committee along with Board of Directors is of the view that the proposed remuneration is commensurate to his profile and portfolio, size of the Company, etc.

The Explanatory Statement together with the accompanying notice should be treated as an abstract of the terms of the Agreement and memorandum of concern or interest under Section 190 of the Companies Act, 2013. Brief profile is annexure herewith notice.

Except Shri Aditya R Dhoot, none of the Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in these resolutions.

Considering his continued contribution and importance in the Company, Shareholders' approval is sought to pay minimum remuneration to him in the form of salary, perquisites and other benefits. The shareholders may also please note that the remuneration that has been approved by the Nomination and Remuneration Committee and the Board as minimum remuneration in accordance with the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, read with rules framed thereunder and Schedule V of the said Act for his ensuing tenure as Vice Chairman & Whole-time Director.

Your Directors recommends the Ordinary Resolution at Item No. 5 as set out in the accompanying Notice for the approval of the Members.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

**Item No.6:**

The current tenure of Shri Aditya R Dhoot as Managing Director will be ceased on March 31, 2022. The Board of Directors of the Company (the 'Board'), at its meeting held on 4th September, 2021 has, subject to the approval of Members, re-appointed Shri Aditya R Dhoot as Managing Director, for a period of 3 (three) years commencing from April 1, 2022 to March 31, 2025, at the remuneration recommended by the Nomination and Remuneration Committee of the Board which shall be in accordance with Section II of Part II of Schedule V of the Companies Act, 2013.

**Broad particulars of the terms of re-appointment of and remuneration payable to Shri Ajay R Dhoot are as under:**

**EMOLUMENTS**

A. BASIC SALARY

The basic salary shall be Rs. 69,00,000/- p.a. (Rupees Sixty Nine Lakhs only)

B. PERQUISITES

In addition to the remuneration as stated above, Shri Aditya R Dhoot shall be entitled, as per Rules of the Company, to perquisites like:

a. Provident Fund: Contribution to the Provident Fund shall be as per the rules of the Company.

b. Gratuity: Payable in accordance with the rules of the Company.

c. Leave Encashment: Encashment of leave at the end of his tenure as per policy of the Company.

d. House rent allowance, general allowance, club fees, group personal accident insurance, group mediclaim and group term insurance shall be as per Company's policy.

e. Car(s) and telephone(s) will be provided at residence for official use.

The aforesaid perquisites will be subject to tax as per prevailing Income Tax Rules. The basic salary stated above will be inclusive of the value of the perquisites stated at points ’d’ and 'e', if provided.

The period of office of Shri Aditya R Dhoot shall be liable to determination by retirement of directors by rotation. If he is re-appointed as a Director, immediately on retirement by rotation he shall continue to hold office of Managing Director, designated and such re-appointment as Director shall not be deemed to constitute break in his appointment as a Managing Director. He shall be eligible to stock options, if any.

The Board of Directors be and is hereby authorized to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Section 197 of the Act read with Schedule V of the Companies Act, 2013.

The said Director shall report to the Board of Directors of the Company who shall empower him with such requisite powers (with authority to revoke and/or amend such powers) to enable the said Director to discharge his duties with full responsibility or the area of operations under his control. The said Director shall work under the superintendence, control and direction of the Board of Directors of the Company.

The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.

The Managing Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel. The Nomination and Remuneration Committee along with Board of Directors is of the view that the proposed remuneration is commensurate to his profile and portfolio, size of the Company, etc.

The Explanatory Statement together with the accompanying notice should be treated as an abstract of the terms of the Agreement and memorandum of concern or interest under Section 190 of the Companies Act, 2013. Brief profile is annexure herewith notice.

Except Shri Ajay R Dhoot, none of the Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in these resolutions.

Considering his continued contribution and importance in the Company, Shareholders' approval is sought to pay minimum remuneration to him in the form of salary, perquisites and other benefits. The shareholders may also please note that the remuneration that has been approved by the Nomination and Remuneration Committee and the Board as minimum remuneration in accordance with the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, read with rules framed thereunder and Schedule V of the said Act for his ensuing tenure as Managing Director.

Your Directors recommends the Ordinary Resolution at Item No. 6 as set out in the accompanying Notice for the approval of the Members.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

**Item No.7:**

Shri. Praveen Saxena was appointed for as an Independent Non-Executive Director of the Company by the members at the 54th AGM of the Company held on 29th September, 2016 for a period of five consecutive years with effect from 27th May, 2016. As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for reappointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri. Praveen Saxena, being eligible for reappointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for second term of five consecutive years with effect from May 27, 2021 to May 26, 2026.

The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given his consent to continue to act as Director of the Company, if so appointed by the members.

In the opinion of the Board, Shri. Praveen Saxena fulfils the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his re-appointment as an Independent Non-Executive Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri. Praveen Saxena as an Independent Non-Executive Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day, except Saturday, upto and including the date of AGM of the Company.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard 2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri. Praveen Saxena as an Independent Director.

Accordingly, the Board recommends passing of the Special Resolution in relation to reappointment of Shri. Praveen Saxena as an Independent Director for another term of five consecutive years with effect from May 27, 2021 to May 26, 2026, for the approval by the shareholders of the Company.

Except Shri. Praveen Saxena, being an appointee and his relatives, none of the Directors and Key Managerial Personnel of the Company is interested in the said resolution.

**By Order of the Board of Directors of**
**IMP Powers Limited**

**Sd/-**
**Aditya R. Dhoot**
**Managing Director**
**DIN: 00057224**

Date: 4th September, 2021
Place: Mumbai

**Details of Directors seeking re-appointment pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by Institute of Company Secretaries of India (ICSI)**

| **Name of Director** | **Shri Aditya R. Dhoot** | **Shri. Ajay R. Dhoot** |
|---|---|---|
| Director Identification Number | 00057224 | 00210424 |
| Date of Birth & Age | 3rd May, 1968 (52 Years) | 9th March 1964 ( 57 Years) |
| Date of Appointment | 28th November, 1986 | 14th May, 1982 |
| Nationality | Indian | Indian |
| Educational Qualifications | B.Com | B.Com |
| Experience including expertise in specific functional areas | Shri Aditya R. Dhoot is the Managing Director of the Company, has about 3 decades of experience in the transformer industry. He oversees Finance, Accounts, Project expansion plans and Material Managements of the Company. | Shri Ajay R Dhoot, designated as Vice-Chairman of the Company, has an experience of more than 39 years in the field of Marketing, Finance and Administration. He is a prudent Business man and a Financial Wizard of the Company. He has also played a leading role in administering the Company's entry into domestic and international markets. |
| Number of equity shares held in the Company | 17,773 | Nil |
| List of Directorships held in other Listed Companies | Nil | Nil |
| Memberships / Chairmanships of committees across other Listed Companies | 02 | 01 |
| Relationship with other Directors | Shri Aditya R. Dhoot, Managing Director of the Company is related to, Shri Ajay R. Dhoot (Brother), Vice-Chairman & Whole-time Director of the Company. | Shri Ajay R Dhoot, Vice-Chairman of the Company is related to Shri Aditya R Dhoot (Brother), Managing Director of the Company. |
| No. of Board Meetings attended | 6 | 6 |

| Name of Director | Shri Praveen Saxena | Smt. Khushboo Kharloya |
|---|---|---|
| Director Identification Number | 03199264 | 09168951 |
| Date of Birth & Age | 1st June, 1955 (66 Years) | 03rd November, 1992 ( 28 Years) |
| Date of Appointment | 27th May, 2021 | 30th June, 2021 |
| Nationality | Indian | Indian |
| Educational Qualifications | M.Sc. (Gold Medal) and Ph.D. in Physics from Delhi University | B.Com, ACS |
| Experience including expertise in specific functional areas | Shri Praveen Saxena is an International expert and has over 50 research publications in international journals, and has represented India's interests in Renewable Energy in various multilateral organizations and International forums. | Ms. Khushboo Kharloya is a Company Secretary with a Bachelor's degree and Post Graduate diploma in Commerce. Currently She is having experience in the area of Corporate Law Compliances, compliance related to various clauses/provisions of LODR, filing ROC forms and other secretarial work. |
| Number of equity shares held in the Company | Nil | Nil |
| List of Directorships held in other Listed Companies | 1 | Nil |
| Memberships / Chairmanships of committees across other Listed Companies | - | - |
| Relationship with other Directors | Shri Praveen Saxena is not related to any Director of the Company. | Smt. Khushboo Kharloya is not related to any Director of the Company. |
| No. of Board Meetings attended | 5 | Nil |

# BOARDS' REPORT

**TO THE MEMBERS OF IMP POWERS LIMITED**

Your Directors have pleasure in presenting the 59th Annual Report on the business and operations of the Company together with the Audited Financial Statements along with the report of the Auditors for the year ended 31st March, 2021.

**FINANCIAL SUMMARY**

Your Company's Standalone and Consolidated Performance during the Financial Year (F.Y.) 2020 – 21 as compared with that of the previous Financial Year (F.Y.) 2019 – 20 is summarized below -

**The financial highlights of the Company are as follows:**

(Rs. In Lakhs)

| Particulars | Standalone | | Consolidated | |
|---|---|---|---|---|
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
| **Turnover** | **9399.08** | 26455.11 | **9562.31** | 26455.11 |
| **Other Income** | **126.99** | 212.37 | **127** | 212.37 |
| **Total Revenue from Operations** | **9526.07** | 26667.48 | **9689.31** | 26667.48 |
| **Profit before Finance Cost, Depreciation & Taxes** | **(1597.57)** | 1669.70 | **(1574.25)** | 1696.72 |
| Less: Depreciation | **751.11** | 720.38 | **758.27** | 727.53 |
| Less: Finance Cost | **3855.37** | 3082.87 | **3880.88** | 3111.52 |
| Profit before Exceptional Item & Tax | **(6204.05)** | (2133.55) | **(6213.40)** | (2142.33) |
| Exceptional Item | **(4023.54)** | - | **(4023.54)** | - |
| **Profit before Tax** | **(10227.59)** | (2133.55) | **(10236.94)** | (2142.33) |
| Less: Current Tax | **-** | - | **0.07** | (9.06) |
| Less: Deferred Tax | **(3010.13)** | (709.08) | **(3011.99)** | (709.25) |
| Profit after Tax | **(7217.46)** | (1424.48) | **(7225.02)** | (1424.02) |
| **Earnings Per Share** | | | | |
| Basic | **(83.57)** | (16.49) | **(83.66)** | (16.49) |
| Diluted | **(83.57)** | (15.51) | **(83.66)** | (15.50) |

**STATE OF COMPANY'S AFFAIRS**

Financial Year 2020-21 has been a challenging year with weakening macro-economic conditions, slowing market growths and finally, COVID-19 outbreak and containment measures towards the end of the year.

For the financial year ended 31st March, 2021, your Company has reported standalone total revenue of Rs. 9,526.07 Lakhs and incurred net loss of Rs. 7,217.46 Lakhs as compared to previous year's total revenue of Rs. 26,667.48 Lakhs and net loss of Rs. 1,424.48 Lakhs.

For the financial year ended 31st March, 2021, your Company has reported Consolidated total revenue of Rs. 9689.31 Lakhs and net loss of Rs. 7,225.02 Lakhs as compared to previous year's total revenue of Rs. 26,667.48 Lakhs and net loss of Rs. 1,424.02 Lakhs.

The Company has submitted to the lenders a detailed Resolution Plan under the laid down Reserve Bank of India (RBI) norms.

**SHARE CAPITAL**

The Share Capital of the Company, as on 31st March, 2021 was 8,63,87,630/- (Rupees Eight Crores Sixty Three Lakhs Eighty Seven Thousand Six Hundred and Thirty only).

The Company has neither issued shares with differential rights as to the dividend, voting or otherwise nor issued sweat equity shares. There is no scheme for employee stock option or provision of money for shares of the Company to the employees or Directors of the Company during the aforesaid period.

**TRANSFER TO GENERAL RESERVES AND DIVIDEND**

Your Directors do not propose to transfer any amount to general reserves for the Financial Year ended 31st March, 2021.

Further, owing to the losses, the Directors do not recommend any dividend on equity shares for the year ended March 31, 2021.

**IMPACT OF COVID – 19**

The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slow down of economic activity, COVID 19 has caused interruption in production, supply chain disruption, unavailability of personnel, etc. during 2020-21 and thereafter.

The Company foresees significant material impact on the liquidity. Till the time business operations at customer's end get fully functional and supplies chain with vendors totally restores, business operations of the Company will remain impacted in spite of having excellent order backlog in hand. The Company will continue to monitor the future market conditions and update its assessment.

During the unprecedented Covid-19 pandemic situation, the Company has taken a number of drastic measures to ensure safety of workforce and it has not compromised on any steps in ensuring the safety of the employees and number of preventive measures have been implemented at all the functional work sites including the following:

— Wearing of Face Masks is mandatory for employees right at the time of Starting from their home, at worksite and work commute.

— Employees have been provided transport facilities.

— Temperature screening is mandatory at time of entry and exit.

— Those with temperature are automatically referred to Doctor for further screening. Social distancing measures are in place right from time of entry gate at adequately spacing of 3 feet as well as other common places.

**Particulars of Loans, Guarantees and Investments**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement.

**FUTURE OUTLOOK**

While once in a century Pandemic of the Covid-19, an unforeseen Force Majeure has disrupted Indian economy (and global economy too) in general and your company in particular substantially, affecting availability of raw materials from Suppliers in Red Zones, substantial increase in price of steel, metals,copper, travel restrictions affecting inspections by customers, etc.

There are sufficient order position in hand, few of the Suppliers exiting transformers business, support from the lenders and banks, rationalisation of manpower, substitute of diesel by gas and other various costs cuts, etc. The Company has transformed its customers profile with entire focus on business from Non utility customers as compared to business from govt. customers.

However, intermittent STOP-START-STOP flipping of business operations lead to lot of uncertainty, impacting our liquidity with cascading effect. In such scenario, the Company has adopted a cautious approach of Survive-Stabilise-Sustain-Grow.

The Company has taken following Operational Steps:

- Reduction in Operational Cost – Significant reduction in fixed cost i.e. Man power cost, Selling and Administrative expenses etc.
- Exit from Loss making Orders
- Renegotiation in the order prices
- Proactive steps in recovery of debtors
- Change in Business Mix – Movement from Govt. business to Non Govt. Business

For bouncing back quickly, the Company looks forward to support from its lenders / Bankers through restructuring and sale of its non-core assets.

**INTERNAL FINANCIAL CONTROLS & THEIR ADEQUACY**

Your Company's internal controls systems commensurate with the nature and size of its business operations. Adequate internal controls, systems and checks are in place and the management exercises financial controls on the operations through a well – defined budget monitoring process and other standard operating procedures.

**DIRECTORS' RESPONSIBILITY STATEMENT**

As stipulated under section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, your Directors hereby state and confirm that:

a) in the preparation of the Annual Accounts for the financial year ended 31st March, 2021, the applicable accounting standards have been followed. There are no material departures from the applicable accounting standards;

b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company as on 31st March, 2021 and of the loss of the Company for that period;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors had prepared Annual Accounts on a going concern basis;

e) 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

f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

**BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL**

**Composition**

The Composition of the Board is in conformity with Section 149 of the Act and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"). The Board currently comprises of 6 (Six) Directors out of which 2 (Two) are Executive Directors, and 4 (Four) are Non – Executive Independent Directors. The Chairman of the Board is a Non - Executive Director.

Smt Dipali S Pitale, Independent Director of the Company resigned w.e.f. 10th February, 2021.

Shri Ramniwas R Dhoot, Chairman & Director of the Company resigned w.e.f. 15th March, 2021.

Shri Vibhav S. Ranade, Company Secretary of the Company resigned w.e.f 04th December, 2020.

Shri Bakul Desai, Chief Financial Officer of the Company resigned w.e.f 30th July, 2020.

Smt. Khushboo Kharloya has been appointed as Woman Additional Director (categorized as an Independent Director) of the Company with effect from 30th June, 2021.

Further, the Board of Directors in its meeting held on 30th June, 2021 has designated Shri Ramdas T. Rajguroo at the Chairman of the Board of the Company with effect from 30th June, 2021.

Shri Shantilal Surana has been appointed as Chief Financial Officer (CFO) of the Company w.e.f. 29th January, 2021

Ms. Anita Jaiswal has been appointed as the Whole-time Company Secretary and the Compliance officer of the Company w.e.f. 03rd June, 2021

Shri Ajay R. Dhoot, Vice – Chairman & Whole-time Director, Shri Aditya R. Dhoot, Managing Director are the Key Managerial Personnel (KMPs), Shri Shantilal Surana (CFO) and Anita Jaiswal (CS) of the Company as on the date of this report.

**Retirement by Rotation**

Shri Ajay R. Dhoot (DIN: 00210424) shall retire by rotation at the ensuing 59th Annual General Meeting (AGM) of the Company in accordance with the provisions of the Section 152 of Companies Act, 2013 and being eligible offers himself for re-appointment.

**Independent Directors**

Shri Ramdas T. RajGuroo, Shri Prashant J. Pandit, Shri Praveen Saxena and Smt. Khushboo Kharloya are the Independent Directors as on date of this report. Pursuant to the provisions of Section 134(3)(d) of the Companies Act, 2013, disclosure is hereby given that the Company has received declaration / confirmation of independence from all Independent Directors of the Company pursuant to Section 149(6) of the Companies Act, 2013, as may amended from time to time, after undertaking due assessment of the veracity of the same and the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013. The certificates of Independence received from all the Independent Directors have been duly noted by the Board.

**Meetings of the Board of Directors**

During the year under review, the Board of Directors met 6 (Six) times. The agenda of the meeting is circulated to the members of the Board in advance along with necessary documents, reports, recommendations etc. so that each Board member can actively participate on agenda items during the meeting. The details of Board and Committee Meetings and the attendance of the Directors at such meetings are provided in the Corporate Governance Report, which forms part of this Annual Report. The intervening gap between the meetings was within the prescribed period under the Companies Act, 2013 ("Act") and SEBI LODR Regulations.

**BOARD EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, Committees and Individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by SEBI LODR Regulations.

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

The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the Individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed at the Board Meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and Individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

**FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The Familiarization Programme for Independent Directors aims to provide them an opportunity to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with Senior Management Personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its business model and various operations and the industry of which it is a part. The details of such familiarization programmes for Independent Directors are posted on the website of the Company viz. www.imp-powers.com.

**DETAILS OF COMMITTEES OF THE BOARD**

**1. Audit Committee**

Pursuant to the provisions of Section 177(8) of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board & its Powers) Rules, 2014 and Regulation 18 read with Part C of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted an Audit Committee of the Board of Directors. The details regarding the composition, terms of reference, meetings and attendance of members of Audit Committee of the Company are disclosed in the report of Corporate Governance, which forms part of this Annual Report.

During the Financial Year 2020-21, all recommendations made by the Audit Committee to the Board of Directors were accepted by the Board and there were no instances where the recommendations were not accepted.

**2. Nomination & Remuneration Committee**

Pursuant to the provisions of Section 178 of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board & its Powers) Rules, 2014 and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Nomination and Remuneration Committee of the Board of Directors. The details regarding the composition, terms of reference, meetings and attendance of members of Nomination & Remuneration Committee of the Company are disclosed in the report of Corporate Governance, which forms part of this Annual Report.

**3. Stakeholders Relationship Committee**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Stakeholders' Relationship Committee of the Board of Directors. The details regarding the composition, terms of reference, meetings and attendance of members of Stakeholders Relationship Committee of the Company are disclosed in the report of Corporate Governance, which forms part of this Annual Report.

**4. Corporate Social Responsibility Committee**

Pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has constituted a Corporate Social Responsibility (CSR) Committee of the Board of Directors. However, since the Company does not fall under the requirements of Section 135 of the Companies Act, 2013, it is not liable to spend any amount on CSR activity during the year.

**DEPOSITS**

Your Company has not accepted any deposits within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 and no amount on account of principal or interest on public deposits was outstanding as on March 31, 2021.

**EXTRACT OF ANNUAL RETURN**

The extract of the Annual Return in Form MGT-9 is enclosed as "Annexure - A" and also available on the website of the Company viz. www.imp-powers.com.

**SUBSIDIARY**

The Company has one subsidiary, namely, IMP Energy Limited (IEL). IEL is engaged in complete EPC Work of small hydro Power (SHP) business. IEL sets up small hydro power plants of upto 5 MW capacity and does the entire EPC work. IEL has already successfully commissioned its 1st hydro project on EPC basis at Bairas (2 x 750KW) in October 2017 and 2nd EPC Hydro Project at Sangrah (2 x 750KW). The Company has attached along with its financial statements, a separate statement containing the salient features of the financial statements of the said subsidiary in "Form AOC-1" which is annexed as "Annexure - B".

As per Section 134 of the Act and Rule 8(1) of the Company (Account) Rules, 2014, the consolidated financial statements have been prepared by the Company in accordance with the Indian Accounting Standards. The audited consolidated financial statements together with the Auditor's Report forms part of this Annual Report.

**MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

During the last year of F.Y. 2020 – 21, the Covid – 19 pandemic impacted all countries both medically and economically. The wide spread of the virus, in addition to the increasing casualties brought the world to a halt, as numerous nations initiated a lockdown to counter the outbreak. India, too, followed suit and began a country-wide lockdown for nearly three months, as a step to prevent the virus from fatally impacting the nation.

The Company has evaluated the impact of Covid-19 on its financial statements based on internal and external information upto the date of approval of these financial statements. The Company does foresee some material impact on the liquidity for some period. Till the time business operations at customer's end get fully functional and supplies chain with vendors totally restores, business operations of the Company will remain impacted. However, the Silver lining is that the Company has sufficient order position with major part of it from Non-govt. customers. The Company will continue to monitor the future market conditions and address the challenges..

In the Para "Future Outlook", the Company has already stated the challenges, opportunities, key steps taken by the Company and the Future Outlook.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS OR TRIBUNALS**

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

**VIGIL MECHANISM & WHISTLE BLOWER POLICY**

The Company has a vigil mechanism/whistle blower policy to deal with instance of fraud and mismanagement. The details of the said policy are explained in the Corporate Governance Report and also posted on the website of the Company viz. www.imp-powers.com.

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

The information as per Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Account) Rules, 2014 with respect to conservation of energy, technology absorption & foreign exchange earnings and outgo are given in "Annexure – C" to this report.

**MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES**

Disclosure pertaining to the remuneration and other details as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in annexure and forms part of this report. However, as per the provisions of the section 136(1) of the Act, this Report is sent to the shareholders excluding the said information. Any shareholder interested in obtaining such particulars may write to the Company at the Registered Office of the Company.

**PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

The transactions entered with related parties are approved by the Audit Committee, to ensure that the same are in line with the provisions of the Act and the Related Party Transaction Policy. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive in nature. The transactions entered into pursuant to the omnibus approval

so granted are audited and statement specifying the nature, value and terms & conditions of all related party transactions are placed before the Audit Committee for its review on a quarterly basis. The details of related party transactions are provided in the accompanying financial statements. In conformity with the requirements of the Act read with SEBI LODR Regulations, the Policy on Related Party Transactions as approved by the Board is available on the Company's website and can be accessed through www.imp-powers.com.

All transactions entered into with related parties during the year under review were in the ordinary course of business and on arm's length basis. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act, in Form AOC-2 is not applicable to your Company.

**PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED**

Pursuant to the provisions of Section 186 of the Act, the details of Loans, Guarantees and Investments made by the Company as at 31st March, 2021 are given in the notes to the Financial Statements.

**RISK MANAGEMENT**

Business risks exist for any enterprise having national and international exposure. Your Company also faces such risks, the key ones being - a longer than anticipated delay in economic revival, unfavorable exchange rate fluctuations, emergence of inflationary conditions, rise in counterfeits and look-alikes and any unexpected changes in regulatory framework.

The Company is well aware of these risks and challenges and has put in place mechanisms to ensure that they are managed and mitigated with adequate timely actions.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A report on Management Discussion and Analysis which includes details on the state of affairs of the Company as required under the Regulation 34(2)(e) of SEBI LODR Regulations, forms part of this Annual Report.

**CORPORATE GOVERNANCE**

Report on Corporate Governance duly approved by the Board of Directors in accordance with SEBI LODR Regulations, along with a certificate from the Statutory Auditors confirming the compliance is given separately in this Annual Report.

**AUDITORS –**

**1. Statutory Auditors**

Pursuant to Section 139 to 144 of the Companies Act, 2013 and Rules 3 to 6 of the Companies (Audit and Auditors) Rules, 2014 and on the basis of recommendation of the Audit Committee, the Board of Directors of the Company had appointed M/s. V. S. Somani & Co. (Firm Registration No. 117599W), Chartered Accountants as the Statutory Auditors of the Company to hold office for a period of 5 consecutive years from the conclusion of 55th Annual General Meeting till the conclusion of 60th Annual General Meeting.

Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017, effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors was withdrawn from the statute. Therefore, the approval of the Members for continuance of their appointment at this AGM is not being sought.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors in their Auditors' Report. Further, there are no frauds, details of which as required to be reported under Section 143(12) of the Act.

**2. Cost Auditor**

M/s. N. Ritesh & Associates were appointed as Cost Auditors by the Company under Section 148 of the Act.

On the recommendation of the Audit Committee, the Board of Directors in its meeting held on June 30, 2021 has reappointed M/s. N. Ritesh & Associates as Cost Auditors of the Company for the Financial Year 2021–22. The Company is seeking the ratification of the remuneration to be paid to M/s. N. Ritesh & Associates, Cost Auditors of the Company in respect of Cost Audit for the financial year ended 31st March, 2022 as mentioned in the Notice convening 59th AGM.

**3. Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. Priya Shah & Associates, Practicing Company Secretaries (ACS: 38171 and CP: 21827), to undertake the Secretarial Audit of the Company for the financial year 2020-21 and issue Secretarial Audit Report. The Secretarial Audit Report for the financial year ended 31st March, 2021 is appended as "Annexure – D" to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Secretarial Auditor in her report has made following qualifications/observations:

1. The Company has not filed form DPT-3, form IEPF-4 & Form CRA-4 for FY 2019-20 and form MSME-1 FY 20-21 (For March 2020- due date 30th April 2020 & September 2020-due date 30th October 2020).
2. The Company has not appointed qualified Company Secretary as Compliance Officer in the Company under Regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from 4th December 2020 to 31st March 2021.
3. The Company has not paid listing fees to stock exchanges under Regulations 14 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
4. As per the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, Mr. Prashant Pandit, Mr. Ramdas T. RajGuroo and Mr. Praveen Saxena, Independent Director of the Company, has not registered his name under the Independent Director's Databank. However, on 20th March 2021 Mr. Praveen Saxena, registered himself name under the Independent Director's Databank.
5. As on 31st March 2021, the composition of the Board of Directors was less than Six Directors under Regulation 17 (b) & (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Managements' response to Qualification/Observations:**

The delay/non-filing of returns/information/disclosures to the ROC/other statutory or regulatory authorities was due to Prevailing Pandemic Covid-19, because of which the office attendance was thin and owing to absence of Company Secretary in the Company. The Company has appointed whole-time Company secretary cum compliance officer on 3rd June, 2021.

The management of the Company has taken all necessary steps and actions to do proper and timely compliance. It assures to do timely compliance in future under various applicable acts & regulations.

**COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS**

During the Financial Year, your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

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

The Company has formed a Committee and framed a Policy on "Prevention of Sexual Harassment of Women at Work Place" and matters connected therewith or incidental thereto covering all the aspects as contained under the Sexual Harassment of Women at Work Place (Prohibition, Prevention and Redressal) Act, 2013. Your Directors state that during the year under review, no cases were filed pursuant to the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.

**ACKNOWLEDGEMENTS**

The Board of Directors places on record its sincere appreciation for the dedicated services rendered by the employees of the Company at all levels and the constructive co-operation extended by them. Your Directors would also like to express their grateful appreciation for the assistance and support by all Shareholders, Government Authorities, Auditors, Bankers, Financial Institutions, Customers, Employees, Suppliers, other business associates and various other stakeholders.

**For and on behalf of the Board of IMP Powers Limited**

| | |
|---|---|
| **Sd/-** | **Sd/-** |
| **Ajay R. Dhoot** | **Aditya R. Dhoot** |
| **Vice – Chairman & Whole-time Director** | **Managing Director** |
| **DIN:00210424** | **DIN: 00057224** |

**Date:4th September, 2021**
**Place: Mumbai**

**ANNEXURE - A**

**FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURNAS ON 31ST MARCH, 2021**

**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]**

## I. REGISTRATION AND OTHER DETAILS:

| | | |
|---|---|---|
| 1. | CIN | L31300DN1961PLC000232 |
| 2. | Registration Date | 24th March, 1961 |
| 3. | Name of the Company | IMP Powers Limited |
| 4. | Category / Sub-Category of the Company | Public Limited Company - Limited by Shares |
| 5. | Address of the Registered Office and Contact Details | Survey No. 263/3/2/2, Village Sayli, Umerkuin Road, Silvassa-396230, Dadra & Nagar Haveli (U.T.)<br>Tel No. 0260 – 2681043<br>Email ID: silvasaworks@imp-powers.com |
| 6. | Whether Listed Company | Yes |
| 7. | Name, Address and Contact details of Registrar and Transfer Agent of the Company | M/s. Link Intime India Private Limited<br>C-101, 1st Floor, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400083, Maharashtra<br>Tel. No. 022 – 49186270<br>Email ID: rnt.helpdesk@linkintime.co.in<br>Website: www.linkintime.co.in |

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

| Sr. No. | Name and Description of main products/ services | NIC Code of the Product/ service | % to total turnover Of the Company |
|---|---|---|---|
| 1. | Manufacture of Power, EHV, 100%Distribution Transformers up to 315 MVA in 400 kv class | 27102 | 100% |

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name And Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|---|---|---|---|---|---|
| 1. | IMP Energy Limited<br>35/C, Popular Press Building, 2nd Floor, PT M.M. Malviya Road, Tardeo,<br>Mumbai - 400034, Maharashtra | U45209MH2012PLC226580 | Subsidiary | 77.47% | Section 2(87) |

## Iv. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### i. Category-wise Share Holding

| Category of Shareholder | Number of shares held at the beginning of the year [As on 1st April, 2020] | | | | Number of shares held at the end of the year [As on 31st March, 2021] | | | | % change during the year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | % of Total shares | Demat | Physical | Total | % of total shares | |
| **A. Promoters** | | | | | | | | | |
| **1) Indian** | | | | | | | | | |
| a) Individual/ HUF | 1212803 | 0 | 1212803 | 14.04 | 276426 | 0 | 276426 | 3.20 | -10.84 |
| b) Central Government | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) State Govt(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) Bodies Corporate | 3363801 | 0 | 3363801 | 38.95 | 2947340 | 0 | 2947340 | 34.13 | -4.82 |
| e) Banks/FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) Any Other | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| **Sub Total(A)(1)** | **4576604** | **0** | **4576604** | **52.99** | **3223766** | **0** | **3223766** | **37.33** | **-15.66** |
| **2) Foreign** | | | | | | | | | |
| a) NRIs-Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Other - Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) Bodies Corporate | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) Banks/FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Any Other | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| **Sub Total(A)(2)** | **0** | **0** | **0** | **0.00** | **0** | **0** | **0** | **0.00** | **0.00** |
| **Total Shareholding of Promoter (A)= (A)(1)+(A)(2)** | **4576604** | **0** | **4576604** | **52.99** | **3223766** | **0** | **3223766** | **37.33** | **-15.66** |
| **B. Public shareholding** | | | | | | | | | |
| **1) Institutions** | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Banks/FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) Central Govt/ State Govt(s) | 24221 | 0 | 24221 | 0.28 | 24221 | 0 | 24221 | 0.28 | 0.00 |
| d) Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Insurance Companies | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) FIIs/Foreign Portfolio Investors | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| g) Foreign Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| h) Others (specify) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| **Sub-Total (B)(1)** | **24221** | **0** | **24221** | **0.28** | **24221** | **0** | **24221** | **0.28** | **0.00** |
| **2) Non-institutions** | | | | | | | | | |
| **a) Bodies Corporate** | | | | | | | | | |
| Indian | 581314 | 100 | 581414 | 6.73 | 1954759 | 100 | 1954859 | 22.63 | 15.90 |
| Overseas | 427294 | 0 | 427294 | 4.94 | 427294 | 0 | 427294 | 4.94 | 0.00 |
| b) Individuals | | | | | | | | | |
| Individual shareholders holding nominal share capital up to ₹ 1 lakh | 1577219 | 37107 | 1614326 | 18.69 | 1456414 | 37107 | 1493521 | 17.29 | -1.39 |
| Individual shareholders holding nominal share capital in excess of ₹1 lakh | 679560 | 0 | 679560 | 7.86 | 770291 | 0 | 770291 | 8.91 | 1.05 |
| c) Others (specify) | | | | | | | | | |
| Non-Resident Individuals | 43579 | 0 | 43579 | 0.50 | 49777 | 0 | 49777 | 0.58 | 0.08 |
| Trusts | 501390 | 0 | 501390 | 5.80 | 501390 | 0 | 501390 | 5.80 | 0.00 |
| Hindu Undivided Family | 178137 | 0 | 178137 | 2.06 | 177028 | 0 | 177028 | 2.05 | -0.01 |
| Clearing Members | 10038 | 0 | 10038 | 0.12 | 14416 | 0 | 14416 | 0.17 | 0.5 |
| **Sub-Total (B)(2)** | **3998531** | **37207** | **4035738** | **46.73** | **5351369** | **37207** | **5388576** | **62.39** | **15.65** |
| **Total Public Shareholding (B)= (B)(1)+(B)(2)** | **4022752** | **37207** | **4059959** | **47.01** | **5375590** | **37207** | **5412797** | **62.67** | **15.66** |
| C. Shares held by Custodi-ans for GDRs & ADRs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| **GRAND TOTAL (A)+(B)+(C)** | **8599356** | **37207** | **8636563** | **100.00** | **8599356** | **37207** | **8636563** | **100.00** | **0.00** |

**ii. Shareholding of Promoter**

| Sr. No. | Shareholders Name | Shareholding at the beginning of the year [As on 1st April, 2020] | | | Shareholding at the end of the year [As on 31st March, 2021] | | | % change in shareholding during the year |
|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total shares of the Co. | % of Shares Pledged/ encumb-ered to the total shares | No. of Shares | % of total shares of the Co. | % of Shares Pledged/ encumbered to the total shares | |
| 1. | Advance Transformers & Equipments Pvt. Ltd. | 936939 | 10.85 | 1.98 | 936939 | 10.85 | 1.98 | 0.00 |
| 2. | Shree Rasbihari Trading & Investment Pvt. Ltd. | 797773 | 9.24 | 9.24 | 381312 | 4.41 | 4.41 | -4.82 |
| 3. | Shree Kishoriju Trading & Investment Pvt. Ltd. | 587552 | 6.80 | 0.00 | 587552 | 6.80 | 0.00 | 0.00 |
| 4. | Universal Transformers Pvt. Ltd. | 336250 | 3.89 | 3.88 | 336250 | 3.89 | 3.88 | 0.00 |
| 5. | Shree Rasbihari Electrical Pvt. Ltd. | 283115 | 3.28 | 3.28 | 283115 | 3.28 | 3.28 | 0.00 |
| 6. | Mangalam Laboratories Pvt. Ltd. | 250000 | 2.89 | 0.00 | 250000 | 2.89 | 0.00 | 0.00 |
| 7. | Ramniwas R. Dhoot | 234812 | 2.72 | 0.00 | 234812 | 2.72 | 0.00 | 0.00 |
| 8. | Ajay R. Dhoot | 232977 | 2.70 | 2.70 | - | - | - | -2.70 |
| 9. | Aditya R. Dhoot | 212623 | 2.46 | 2.26 | 17773 | 0.21 | 0.00 | -2.25 |
| 10. | Smita A. Dhoot | 188204 | 2.18 | 2.18 | - | - | - | -2.18 |
| 11. | Mangalam Drugs & Organics Ltd. | 172172 | 1.99 | 0.00 | 172172 | 1.99 | 0.00 | 0.00 |
| 12. | Radhika A. Dhoot | 167850 | 1.94 | 1.79 | 13519 | 0.15 | 0.00 | -1.78 |
| 13. | Rajkumari R. Dhoot | 166015 | 1.92 | 1.92 | - | - | - | -1.92 |
| 14. | Ramniwas Ramdayal Dhoot (HUF) | 10322 | 0.12 | 0.00 | 10322 | 0.12 | 0.00 | 0.00 |
| | **TOTAL** | **4576604** | **52.99** | **13.57** | **3223766** | **37.33** | **13.57** | **-15.66** |

**iii. Change in the Promoter's shareholding (Please specify, if there is no change):**

| Sr. No. | Particulars | Shareholding at the beginning of the year | | Date wise Increase/ Decrease in Shareholding | | Cumulative shareholding at the end of the year | |
|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of the total shares of the Company | Date of Transaction | No. of Shares | No. of Shares | % of the total shares of the Company |
| 1. | Advance Transformers and Equipments Pvt Ltd | 936939 | 10.84 | - | - | 936939 | 10.84 |
| 2. | Shree Kishoriju Trading & Investment Pvt Ltd | 587552 | 6.80 | - | - | 587552 | 6.80 |
| 3. | Shree Rasbihari Trading & Investment Pvt Ltd | 797773 | 9.24 | 12.03.2021 | (416461) | 381312 | 4.41 |
| 4. | Universal Transformers Pvt Ltd | 336250 | 3.89 | - | - | 336250 | 3.89 |
| 5. | Shree Rasbihari Electrical Private Ltd | 283115 | 3.28 | - | - | 283115 | 3.28 |
| 6. | Mangalam Laboratories Private Limited | 250000 | 2.89 | - | - | 250000 | 2.89 |
| 7. | Ramniwas R. Dhoot | 234812 | 2.72 | - | - | 234812 | 2.72 |
| 8. | Mangalam Drugs And Organics Ltd | 172172 | 1.99 | - | - | 172172 | 1.99 |
| 9. | Aditya R. Dhoot | 212623 | 2.46 | 12.03.2021 | (194850) | 17773 | 0.20 |
| 10. | Radhika A Dhoot | 167850 | 1.94 | 12.03.2021 | (154331) | 13519 | 0.15 |
| 11. | Ramniwas Ramdayal Dhoot | 10322 | 0.12 | - | - | 10322 | 0.12 |
| 12. | Ajay R Dhoot | 232977 | 2.69 | 05.03.2021 | (232977) | - | - |
| 13. | Smita A. Dhoot | 188204 | 2.18 | 05.03.2021 | (188204) | - | - |
| 14. | Rajkumari R. Dhoot | 166015 | 1.92 | 05.03.2021 | (166015) | - | - |

**v. Shareholding pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)**

| Sr. No. | Particulars | Shareholding at the beginning of the year | | Date wise Increase/ Decrease in Shareholding | | Cumulative shareholding during the year | |
|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of the total shares of the Company | Date of Transaction | No. of Shares | No. of Shares | % of the total shares of the Company |
| 1. | Canbank Factors Limited | - | - | 12.03.2021 | 1396369 | 1396369 | 16.16 |
| 2. | VISTRA ITCL INDIA LTD (TRUSTEES OF BUSINESS EXCELLENCE TRUST INDIA BUSINESS EXCELLENCE FUND) | 501390 | 5.80 | - | - | 501390 | 5.80 |
| 3. | India Business Excellence Fund I | 427294 | 4.95 | - | - | 427294 | 4.95 |
| 4. | Dinero Finance & Investments Private Limited | 131133 | 1.51 | - | - | 131133 | 1.51 |
| 5. | Percept Financial Services Private Limited | 155781 | 1.80 | 12.03.2021 | (43531) | 112250 | 1.29 |
| 6. | Boesky Securities Private Limited | 81419 | 0.94 | - | - | 81419 | 0.94 |
| 7. | KRYFS Power Components Ltd. | 75206 | 0.87 | - | - | 75206 | 0.87 |
| 8. | Shrilekha Somani | 58000 | 0.67 | - | - | 58000 | 0.67 |
| 9. | Manishkumar Sumatilal Mehta | 45232 | 0.52 | 26.06.2020 | (232) | | |
| | | | | 26.03.2021 | (45000) | 0 | 0.00 |
| 10. | Sheetal Malani | 39653 | 0.46 | - | - | 39653 | 0.46 |
| 11. | Kishan Chand Gupta | 38000 | 0.44 | - | | 38000 | 0.44 |
| | | | | 03.04.2020 | 1000 | 39000 | 0.45 |
| | | | | 23.10.2020 | (33000) | 6000 | 0.06 |
| | | | | 27.11.2020 | 33000 | 39000 | 0.45 |
| 12. | Dilip Bombaywala | 3819 | 0.04 | 11.12.2020 | 15629 | 19448 | 0.22 |
| | | | | 18.12.2020 | 30552 | 50000 | 0.58 |
| 13. | Ninja Security Private Limited | 4486 | 0.05 | 08.05.2020 | (500) | 3986 | 0.04 |
| | | | | 26.06.2020 | (1986) | 2000 | 0.02 |
| | | | | 30.06.2020 | (250) | 1750 | 0.02 |
| | | | | 21.08.2020 | 460 | 2210 | 0.02 |
| | | | | 04.09.2020 | 1232 | 3442 | 0.03 |
| | | | | 18.12.2020 | (1486) | 1956 | 0.02 |
| | | | | 25.12.2020 | 2590 | 4546 | 0.05 |
| | | | | 31.12.2020 | (1) | 4545 | 0.05 |
| | | | | 05.03.2021 | 2642 | 7187 | 0.08 |
| | | | | 12.03.2021 | 471 | 7658 | 0.08 |
| | | | | 19.03.2021 | 3292 | 10950 | 0.12 |
| | | | | 26.03.2021 | 47500 | 58450 | 0.67 |

**vii. Shareholding of Directors and Key Managerial Personnel**

| Sr. No. | Particulars | Shareholding at the beginning of the year | | Date wise Increase/ Decrease in Shareholding | | Cumulative shareholding during the year | |
|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of the total shares of the Company | Date | No. of Shares | No. of Shares | % of the total shares of the Company |
| 1. | Shri Ramniwas R. Dhoot* | 234812 | 2.71 | - | - | 234812 | 2.72 |
| 2. | Shri Ajay R. Dhoot | 232977 | 2.70 | 05.03.2021 | (232977) | - | - |
| 3. | Shri Aditya R. Dhoot | 212623 | 2.46 | 12.03.2021 | (194850) | 17773 | 0.21 |
| 4. | Shri Ramdas T. RajGuroo | 1,500 | 0.02 | 2021 | 500 | 2,000 | 0.02 |
| 5. | Shri Praveen Saxena | - | - | - | - | - | - |
| 6. | Shri Prashant J. Pandit | - | - | - | - | - | - |
| 7. | Smt. Dipali S. Pitale** | - | - | - | - | - | - |
| 8. | Shri Bakul K. Desai *** | - | - | - | - | - | - |
| 9. | Shri Vibhav S. Ranade **** | - | - | - | - | - | - |
| 10. | Shri Shanti Lal Surana | | | | | | |

* Shri Ramniwas R. Dhoot resigned with effect from 15th March, 2021
** Smt. Dipali S. Pitale resigned with effect from 10th February, 2021
*** Shri Bakul Desai resigned with effect from 30th July, 2020.
**** Shri Vibhav S Ranade resigned w.e.f. 04th December, 2020
***** Shri Shanti Lal Surana appointed with effect from 29th January, 2021.

**V. INDEBTEDNESS**

(Rs. In Lakhs)

| Particulars | Secured loans | Unsecured Loans | Deposits | Total Indebtedness |
|---|---|---|---|---|
| Indebtedness of the beginning of the Financial Year | | | | |
| Principal Amount | 14,122.15 | 1,330.49 | - | 15,452.64 |
| **Total** | **14,122.15** | **1,330.49** | **-** | **15,452.64** |
| Change in Indebtedness during the year | | | | |
| Addition | 24,490.80 | 454.62 | - | 24,945.42 |
| Reduction | (14,364) | (416) | - | (14,780) |
| **Net Change** | **10,126.36** | **38.80** | **-** | **10,165.16** |
| Indebtedness at the end of the Financial Year | | | | |
| Principal Amount | 24,248.51 | 1,369.29 | - | 25,617.80 |
| **Total** | **24,248.51** | **1,369.29** | **-** | **25,617.80** |

**VI. REMUNERATION OF DIRECTSORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

| Sr. No. | Particulars of Remuneration | Shri Ajay R Dhoot (Vice- Chairman& WTD) | Shri Aditya R Dhoot (MD) | Total Amount |
|---|---|---|---|---|
| 1. | Gross salary | | | |
| | a) Salary as per provisions contained in section17(1) of the Income Tax Act,1961 | 38,81,250 | 38,81,250 | 77,62,500 |
| | b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 | 39,600 | 39,600 | 79,200 |
| | c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | - | - | - |
| 2. | Stock Option | - | - | - |
| 3. | Sweat Equity | - | - | - |
| 4. | Commission as % of profit others, specify | - | - | - |
| 5. | Others | - | - | - |
| | **Total (A)** | **39,20,850** | **39,20,850** | **78,41,700** |

**B. Remuneration to Other Directors**

| S r . No. | Particulars of Remuneration | Shri Ramdas T. RajGuroo (ID) | Shri Praveen Saxena (ID) | Shri Prashant J. Pandit (ID) | Smt Dipali Pitale | Total Amount |
|---|---|---|---|---|---|---|
| 1. | Fee for attending Board / Committee Meetings | 32,500 | 31,000 | 32,500 | 5,000 | 101,000 |
| | Commission | - | - | - | - | - |
| | Others | 98,500 | - | - | - | 98,500 |
| | **Total (B)** | **131,000** | **31,000** | **32,500** | **5,000** | **199,500** |

**C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD**

| Sr. No. | Particulars of Remuneration | Shri Bakul K. Desai (CFO) | Shri Vibhav S. Ranade (CS) | Shri S L Surana (CFO) | Total Amount |
|---|---|---|---|---|---|
| 1. | Gross salary | | | | |
| | Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | 3,90,786 | 2,58,590 | 860, 250 | 1,509,626 |
| | Value of perquisites u/s 17(2) of the Income Tax Act, 1961 | - | - | | - |
| | Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | - | - | | - |
| 2. | Stock Option | - | - | | - |
| 3. | Sweat Equity | - | - | | - |
| 4. | Commission as % of profit others, specify | - | - | | - |
| 5. | Others | - | - | | - |
| | **Total (C)** | **3,90,786** | **2,58,590** | **860, 250** | **1,509,626** |

**VII. PENALITIES / PUNISHMENT / COMPOUNDING OF OFFENCES**

During the year no such instances of Penalty / Punishment / Compounding Fees imposed by any authority on the Company / Directors / other Officers in default.

**For and on behalf of the Board of IMP Powers Limited**

**Sd/-**
**Ajay R. Dhoot**
**Vice – Chairman & Whole-time Director**
**DIN:00210424**

**Sd/-**
**Aditya R. Dhoot**
**Managing Director**
**DIN: 00057224**

**Date:4th September, 2021**
**Place: Mumbai**

**ANNEXURE - B**

**FORM AOC-1**

**(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures as on 31st March, 2021 Part "A": Subsidiary**

(Rs. in Lakhs)

| Sr. No. | Particulars | |
|---|---|---|
| 1. | Name of the subsidiary | IMP Energy Limited |
| 2. | Reporting currency & Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiary | INR |
| 3. | Share capital | 100 |
| 4. | Reserves & Surplus | 153.50 |
| 5. | Total Assets | 957.70 |
| 6. | Total Liabilities | 957.70 |
| 7. | Investments | 0 |
| 8. | Turnover / Total Income | 279.67 |
| 9. | Profit/(Loss) before Taxation | -9.34 |
| 10. | Provision for Taxation | -1.79 |
| 11. | Profit/(Loss) after Taxation | -7.56 |
| 12. | Proposed Dividend | 0 |
| 13. | % of shareholding | 77.47% held by IMP Powers Ltd. Holding Company |

**For and on behalf of the Board of IMP Powers Limited**

**Sd/-**
**Ajay R. Dhoot**
**Vice – Chairman & Whole-time Director**
**DIN:00210424**

**Sd/-**
**Aditya R. Dhoot**
**Managing Director**
**DIN: 00057224**

**Date:4th September, 2021**
**Place: Mumbai**

**ANNEXURE - C**

**Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014:**

**A) CONSERVATION OF ENERGY:**

Steps taken for conservation of Energy:

Use of energy efficient LED lighting and modernization in distribution system. Systematic studies of power consumption to avoid unwanted energy losses. Creating awareness among all employees to conserve energy.

**B) TECHNOLOGY ABSORPTION: N.A.**

**C) FOREIGN EXCHANGE EARNINGS AND OUTGOINGS:**

Details of Foreign Exchange Income and Outgo are as below: (In Lakhs)

| PARTICULAR | 2020-21 | 2019-20 |
|---|---|---|
| Foreign exchange earnings | 4261.55 | 2522.41 |
| Foreign exchange expenditure | 708.75 | 1250.27 |

**For and on behalf of the Board of IMP Powers Limited**

**Sd/-**
**Ajay R. Dhoot**
**Vice – Chairman & Whole-time Director**
**DIN:00210424**

**Sd/-**
**Aditya R. Dhoot**
**Managing Director**
**DIN: 00057224**

**Date:4th September, 2021**
**Place: Mumbai**

**ANNEXURE - D**

**Form No. MR-3 SECRETARIAL AUDIT REPORT**

**For the financial year ended March 31, 2021**

**[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,
**IMP POWERS LIMITED**
CIN: L31300DN1961PLC000232

Regd. Off: SURVEY NO. 263/3/2/2, SAYLI VILLAGE UMAR KUIN ROAD SILVASSA (U. T. ) DADRA & NAGAR HAVELI SILVASSA DN 396230 IN

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. IMP Powers Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended **March 31, 2021** 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 March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder and the applicable provisions of the Companies Act, 1956;

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

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

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

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

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

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

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [**Not applicable to the Company during the Audit period];**

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [**Not applicable to the Company during the Audit period]**;

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

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit period)**; and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit period);**

(vi) I have relied on the representation made by the company and its officers for systems and mechanism formed by the company for compliance under other applicable Acts, Laws & Regulations to the Company. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.

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

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

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above read with the Companies Act, 1956 (wherever applicable) except the following:

1. *The Company has not filed form DPT-3, form IEPF-4 & Form CRA-4 for FY 2019-20 and form MSME-1 FY 20-21 (For March 2020 due date 30th April 2020 & September 2020-due date 30th October 2020).*
2. *The Company has not appointed qualified Company Secretary as Compliance Officer in the Company under Regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from 4th December 2020 to 31st March 2021.*
3. *The Company has not paid listing fees to stock exchanges under Regulations 14 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*
4. *As per the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, Mr. Prashant Pandit, Mr. Ramdas T. RajGuroo and Mr. Praveen Saxena, Independent Director of the Company, has not registered his name under the Independent Director's Databank. However, on 20th March 2021 Mr. Praveen Saxena, registered himself name under the Independent Director's Databank.*
5. *As on 31st March 2021, the composition of the Board of Directors was less than Six Directors under Regulation 17 (b) & (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

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 except point 6 above. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent generally seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were carried through with requisite majority and no dissenting views have been recorded.

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 the applicable laws, rules, regulations and guidelines.

As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

For **Priya Shah & Associates**
Practising Company Secretaries

Priya Shah
Proprietor
Membership No. 10763
CP No. 21827
UDIN: F010763C000896001

Place: Mumbai
Date: 4th September, 2021

**Annexure A**

To,
The Members,
**IMP POWERS LIMITED**
CIN: L31300DN1961PLC000232

Regd. Off: SURVEY NO. 263/3/2/2, SAYLI VILLAGE UMAR KUIN ROAD SILVASSA (U. T. ) DADRA & NAGAR HAVELI SILVASSA DN 396230 IN

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

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

For **Priya Shah & Associates**
Practising Company Secretaries

Priya Shah
Proprietor
Membership No. 10763
CP No. 21827
UDIN: F010763C000896001

Place: Mumbai
Date: 4th September, 2021

# CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2021, in terms of Regulation

34(3) read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations").

## COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company's philosophy on Corporate Governance envisages attainment of the highest level of integrity, fairness, transparency and accountability in all the facets of its functioning and in its interactions with shareholders, employees, government(s), regulatory body (ies) and the community at large. The Company reiterates its commitment to adhere to the highest standards of Corporate Governance. The Company recognizes that good Corporate Governance is a continuing exercise and is committed to pursue the highest standard of Governance in the overall interest of the stakeholders.

## BOARD OF DIRECTORS

### a) Composition of the Board & other relevant details

The Company believes that an active, well – informed and Independent Board is vital to achieve the apex standard of Corporate Governance. The Board is constituted with appropriate combination of Executive Directors, Non-Executive Directors & Independent Directors as on 31st March, 2021 as per prevailing regulatory requirements. As on 31st March, 2021, the Board of Directors of the Company comprises of 5 (Five) Directors out of which 2 (Two) are Executive, 3 (Three) Non - Executive Independent Directors.

| Name of Director & DIN | Category | No. of Directorships (incl. IMP Powers Limited)** | No. of Committee memberships in all Companies (incl. IMP Powers Limited)*** | | No. of Board Meetings attended | Attendance at last AGM |
|---|---|---|---|---|---|---|
| | | | Chairman | Member | | |
| Shri Ramniwas R. Dhoot* DIN: 00210094 | Promoter/ Non - Executive/ Chairman | 1 | 0 | 1 | 4 | No |
| Shri Ajay R. Dhoot^^ DIN: 00210424 | Promoter / Executive/ Vice-Chairman & Whole-time Director | 1 | 0 | 1 | 6 | Yes |
| Shri Aditya R. Dhoot ^^ DIN: 00057224 | Promoter / Executive/ Managing Director | 1 | 0 | 2 | 6 | Yes |
| Shri Ramdas T. RajGuroo DIN: 00001424 | Non – Executive / Independent Director | 1 | 3 | 0 | 6 | Yes |
| Shri Prashant J. Pandit DIN: 03079878 | Non – Executive / Independent Director | 1 | 0 | 3 | 6 | No |
| Shri Praveen Saxena DIN: 03199264 | Non – Executive / Independent Director | 2 | 0 | 2 | 5 | No |
| Smt. Dipali S. Pitale **** DIN: 08564258 | Non – Executive / Independent Director | - | - | - | 4 | Yes |

* *Shri Ramniwas R. Dhoot resigned with effect from 15th March, 2021.*

** *Excludes Directorship in Foreign Companies, Private Companies and Companies governed by Section 8 of the Companies Act, 2013.*

*** *Chairmanship/membership of Committee includes Audit Committee & Stakeholders Relationship Committee in Indian Public Limited Companies including IMP Powers Limited [Committee Membership(s) & Chairmanship(s) are counted separately.]*

**** *Smt. Dipali S. Pitale resigned with effect from 10th February, 2021.*

^^ *Shri Ramniwas R. Dhoot, Shri Ajay R. Dhoot and Shri Aditya R. Dhoot are related to each other.*

The names of Listed Companies (other than IMP Powers Limited) in which the Directors holds Directorships as on 31st March, 2021 are as under:

| Name of the Director | Name of the Company | Category of Directorship |
|---|---|---|
| Shri Praveen Saxena | Mangalam Drugs & Organics Limited | Non – Executive Independent Director |

**b) Board Meetings**

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiary. During the year under review, 6 (Six) Board Meetings were held. The dates on which the meetings were held are as follows: 31th July, 2020; 15th September, 2020; 12th November, 2020; 03rd December 2020; 29th January, 2021 and 12th February, 2021. The interval between two meetings was well within the maximum period of 120 days mentioned under Section 173 of the Companies Act, 2013 and Regulation 17(2) of the Listing Regulations.

**c) Familiarization Programme for Independent Directors**

The Company has in place a system to familiarize the Independent Directors with the organization, its business and ongoing events. Web link giving the details of such familiarization programmes imparted to the Independent Directors is www.imp- powers.com.

**d) Chart setting out the skills / expertise / competencies of the Board of Directors**

While evaluating the Board as a whole, it was ensured that the existing Board members have relevant core skills / expertise / competencies as required in the context of business to function effectively –

| Sr. No. | List of Core skills / expertise / competencies | Availability of the Core skills / expertise / competencies as on 31st March, 2021 |
|---|---|---|
| 1. | Leadership / Strategy | ✓ |
| 2. | Management of Business Operations | ✓ |
| 3. | Finance & Accounting | ✓ |
| 4. | Regulatory & Governance | ✓ |
| 5. | Legal | ✓ |

**e) Confirmation from the Board of Directors**

The Board hereby confirms that in its opinion, the Independent Directors of the Company fulfill the conditions specified in Regulation 16(1)(b) of the Listing Regulations and are independent of the management.

**f) Cessation of Independent Director**

Smt. Dipali S. Pitale, Independent Director of the Company resigned with effect from 10th February, 2021.

**COMMITTEES OF THE BOARD**

The Board has constituted the following committees:

**1. AUDIT COMMITTEE**

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosure and transparency, integrity and quality of financial reporting. The composition and terms of reference of Audit Committee meet with the requirement of Section 177 of the Act and Regulation 18 of Listing Regulations. As on 31st March, 2021, the Audit Committee comprised of 4 (Four) members with majority being Independent Directors. The members of Audit Committee have wide exposure and knowledge in areas of finance and accounting. The Company Secretary acts as a Secretary to theCommittee.

**a) Terms of Reference**

In accordance with the provisions of Section 177 of the Companies Act, 2013 (as amended from time to time) and Part C of Schedule II of SEBI LODR Regulations, the terms of reference of the Committee are briefly described below:

i. overseeing financial reporting process, reviewing periodic financial statements, financial results and auditor's report thereon;

ii. review and monitoring the auditor's independence and performance & effectiveness of audit process and discussions with Statutory, Internal and Cost Auditors;

iii. approval or any subsequent modification of transactions of the Company with related parties;

iv. evaluation of internal financial controls;

v. management discussion and analysis of financial condition and results of operations;

In addition, the powers and role of the Audit Committee are as laid down under Part C of Schedule II of SEBI LODR Regulations and Section 177 of the Act.

**b) No. of Meetings**

During the year under review, the Audit Committee met 4 (Four) times viz. 31st July, 2020; 15th September, 2020; 12th November, 2020 and 12th February, 2021. Necessary quorum was present at all the meetings.

**c) Composition and Attendance**

Details of composition and attendance at the aforesaid meetings were as follows:

| Sr. No. | Name of Member | Category | No. of Meetings attended |
|---|---|---|---|
| 1. | Shri Ramdas T. RajGuroo (C) | Non-Executive / Independent | 4 |
| 3. | Shri Aditya R. Dhoot | Executive | 4 |
| 4. | Shri Prashant J. Pandit | Non-Executive / Independent | 4 |
| 5. | Shri Praveen Saxena | Non-Executive / Independent | 4 |

**2. NOMINATION AND REMUNERATION COMMITTEE**

As on 31st March, 2021, the Nomination and Remuneration Committee comprised of four (4) members with majority being Independent Directors. The composition of the Committee is in compliance with the requirement of Section 178 of the Act and Regulation 19 of the Listing Regulations.

**a) Terms of Reference**

The broad terms of reference of the Nomination and Remuneration Committee inter- alia are:

i. to formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive and Non-Executive) and recommend to the Board, policy relating to the remuneration of the Directors, KMP and other employees;

ii. to formulate the criteria for evaluation of all the Directors on the Board;

iii. to devise a policy on Board diversity;

iv. to 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

v. to lay out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's goals.

**b) No. of Meetings**

During the year under review, the Nomination & Remuneration Committee met 1 (one) time viz. 29st Jan, 2021. Necessary quorum was present at all the meetings.

**c) Composition and Attendance**

Details of composition and attendance at the aforesaid meetings were as follows:

| Sr. No. | Name of Member | Category | No. of Meetings attended |
|---|---|---|---|
| 1. | Shri Ramdas T. RajGuroo (C) | Non-Executive / Independent | 1 |
| 2. | Shri Ramniwas R. Dhoot | Non-Executive | - |
| 4. | Shri Prashant J. Pandit | Non-Executive / Independent | 1 |
| 5. | Shri Praveen Saxena | Non-Executive / Independent | 1 |

* Shri Ramniwas R. Dhoot resigned with effect from15th March, 2021.

**d) Performance Evaluation Criteria**

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and Individual Directors. Separate exercise was carried out to evaluate the performance of Non–Independent Directors including the Chairman of the Board.

Following are the major criteria applied for performance evaluation:-

i. attendance and participation in the Board and Committee Meetings, application of leadership qualities and knowledge to give overall strategic direction for enhancing shareholder's value;

ii. adherence to ethical standards & code of conduct of the Company;

iii. disclosure of non–independence, as and when exists and disclosure of interest;

iv. interpersonal relations with other Directors and Management;

v. understanding of the Company and the external environment in which it operates; and

vi. safeguarding interest of whistle–blowers under vigil mechanism.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and Non – Independent Directors was carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

**Details of Remuneration to all Directors**

The remuneration payable to the Directors is considered and approved by the Board as per the recommendation of Nomination and Remuneration Committee. Remuneration to Non-Executive Directors and Independent Directors include fees for attending meetings of Board as well as Committees as permissible under Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The details of remuneration paid to each Director for the year ended 31st March, 2021 are as under:

(Amount in Rs.)

| Name of Director | Salary | Professional Fees | Sitting Fees | Total Remuneration |
|---|---|---|---|---|
| Shri Ramniwas R. Dhoot | - | - | - | - |
| Shri Ajay R. Dhoot | 38,81,250 | - | - | 38,81,250 |
| Shri Aditya R. Dhoot | 38,81,250 | - | - | 38,81,250 |
| Shri Ramdas T. RajGuroo | - | 98,500 | 32,500 | 131,000 |
| Shri Prashant J. Pandit | - | - | 32,500 | 32,500 |
| Shri Praveen Saxena | - | - | 31,000 | 31,000 |
| Smt. Dipali S. Pitale | - | - | 5,000 | 5,000 |

- The Non-executive Directors, apart from receiving Directors' remuneration by way of sitting fees or other fees, if any, approved by the Board of Directors within the limit fixed and approved by the shareholders, do not have any other material pecuniary relationship or transactions with the Company.
- Criteria for making payments to Non – Executive Directors is given in the Nomination and Remuneration Policy and the same is placed on the website of the Company at www.imp-powers.com.
- None of the Non-Executive Directors holds any shares or convertible instruments in the Company as on 31st March, 2021 except 2,000 shares held by Shri Ramdas T. RajGuroo.

**3. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholders' Relationship Committee has been constituted to monitor and review investors' grievances which comprises of four (4) members. Shri Vibhav S. Ranade, Company Secretary of the Company was the Compliance Officer pursuant to Listing Regulations.

**a) Terms of Reference**

Brief Terms of Reference of the Stakeholders' Relationship Committee inter alia includes:

i. reviewing status of approval of transfer/transmission of shares, issue of duplicate share certificates and

ii. considers and resolves grievances of the Security Holders of the Company and suggests improvements to investor relations initiatives undertaken at the Company.

**b) Composition and Attendance**

Details of composition and attendance at the aforesaid meetings were as follows:

| Sr. No. | Name of Member | Category |
|---|---|---|
| 1. | Shri Ramdas T. RajGuroo (C) | Non-Executive / Independent |
| 2. | Shri Ajay R. Dhoot | Executive |
| 3. | Shri Aditya R. Dhoot | Executive |
| 4. | Shri Prashant J. Pandit | Non-Executive / Independent |

**c) Shareholders' Complaints**

During the F.Y. 2020-21, no complaints have been received from Shareholders of the Company.

**4. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

The CSR Committee comprises of three (3) members. The Company Secretary acts as the Secretary to the Committee. The constitution of the Committee meets the requirement of Section 135 of the Act. Based on the recommendation of CSR Committee, the Company has adopted CSR policy which is displayed on the website of the Company at www.imp-powers. com.

**a) Terms of Reference**

The brief terms of reference of the CSR Committee are as under–

i. to formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;

ii. to recommend the amount of expenditure to be incurred on the activities referred to in clause (i)and

iii. to monitor the CSR Policy of the Company from time to time.

**b) Composition and Attendance**

Details of composition and attendance at the aforesaid meetings were as follows:

| Sr. No. | Name of Member | Category |
|---|---|---|
| 1. | Shri Ajay R. Dhoot (C) | Executive |
| 2. | Shri Aditya R. Dhoot | Executive |
| 5. | Shri Prashant J. Pandit | Non-Executive / Independent |

**GENERAL BODY MEETINGS**

**Details of last three Annual General Meetings are as under –**

| Day, Date & Time | Venue | Special Resolutions passed for - |
|---|---|---|
| Friday, 28th September, 2018 at 3 p.m. | Survey No. 263/3/2/2, Village Sayli, Umar Kuin Road, Silvassa – 396 230, Dadra & Nagar Haveli | 1. Revision in terms of remuneration of Shri Ramniwas R Dhoot Chairman & Whole-time Director w.e.f. 1st April 2019.<br>2. Continue Directorship of Shri R. T. RajGuroo as Non-Executive Independent Director who attains the age of 75 years w.e.f 27th June 2019.<br>3. Increase in borrowing limits of the Company.<br>4. Creation of Charge on the assests of the Company.<br>5. To approve the aggregate annual remuneration payable to the Promoter- Executive Director/Members of the Promoter Group exceeding 5% of the Net Profit of the Company. |
| Friday, 27th September, 2019 at 3 p.m. | | 1. Re-appointment of Shri Ramdas T. RajGuroo for a further period of 5 years with effect from 30th September, 2019 to 29th September, 2024.<br>2. Re-appointment of Shri Prashant J. Pandit for a further period of 5 years with effect from 30th September, 2019 to 29th September, 2024. |

| Day, Date & Time | Venue | Special Resolutions passed for - |
|---|---|---|
| Thursday,<br>31st December 2020 at 3 p.m. Through Video Conferencing /<br>Other Audio Visuals means | | NIL |

During the year under review, no resolutions were passed through Postal Ballot.

**MEANS OF COMMUNICATION**

1. Quarterly and the Annual financial results are published in the Business Standard (English) and Western Times (Gujarati).

   These results and official news releases are also available on the website of the Company viz. www.imp-powers.com.

2. No presentation to any Institutional Investors or Analysts has been made during the Financial Year ended 31st March, 2021.

3. All data required to be filed electronically or otherwise pursuant to the SEBI LODR Regulations with the Stock Exchanges, are being regularly filed with the Stock Exchanges, namely, National Stock Exchange of India Limited (www.nseindia.com) through NSE Electronic Application Processing System (NEAPS) and BSE Limited (www.bseindia.com) through BSE Listing Center and are available on their websites.

**GENERAL SHAREHOLDER INFORMATION**

i. Day, Date, Time & Venue of 59th Annual General Meeting -

| Day | Date | Time | Venue |
|---|---|---|---|
| Thursday | 30th September, 2021 | 2:00 P.M. | The Company is conducting AGM through VC / OAVM pursuant to the MCA /SEBI Circulars, hence there is no requirement to have a venue for the AGM. For details please refer to the Notice of AGM separately provided in the Annual Report. |

ii. Financial Year

The Financial Year is from 1st April to 31st March.

Adoption of Quarterly Results for the Quarter ending:

| | |
|---|---|
| June, 2021 | 1st /2nd Week of August, 2021 |
| September, 2021 | 1st / 2nd Week of November, 2021 |
| December, 2021 | 1st / 2nd Week of February, 2022 |
| March, 2022 | 3rd / 4th Week of May, 2022 |

iii. Dividend Payment Date

Not applicable as the Board of Directors has not declared Final Dividend for the F.Y. 2020-21.

iv. Listing on Stock Exchange

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001,
Maharashtra
Scrip Code – 517571
Scrip ID - INDLMETER

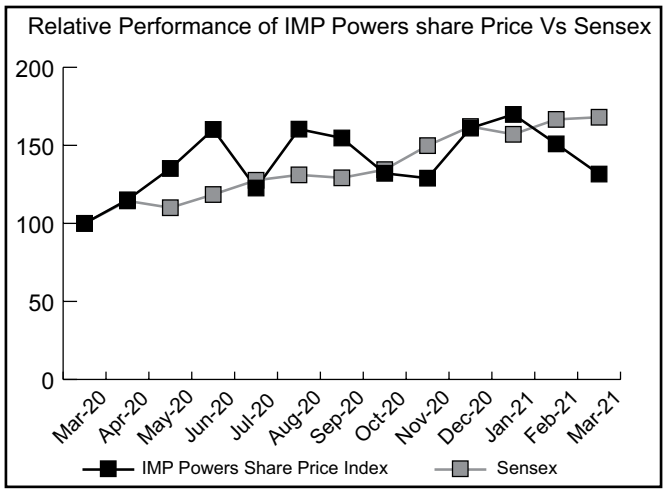
National Stock Exchange of India Limited
"Exchange Plaza", Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051,
Maharashtra
NSE SYMBOL – INDLMETER

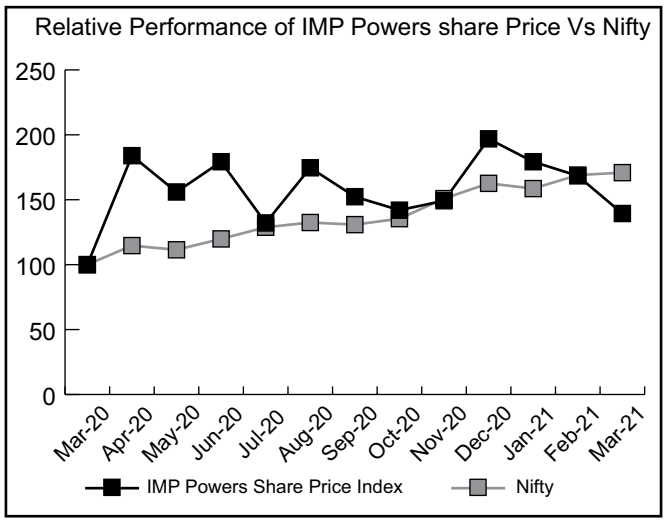
The Company has not paid Annual Listing Fees to the Stock Exchanges for the F.Y. 2020 – 21 and 2021-22 and requested the BSE & NSE for granting time for payment of Listing Fees as the prolonged lock down post COVID-19 has deteriorated the working of the Company substantially.

v. Market Price Data (high and low in each month in last financial year)

| Month | BSE Limited | | | National Stock Exchange of India Limited | | |
|---|---|---|---|---|---|---|
| | High (Rs.) | Low (Rs.) | Volume | High (Rs.) | Low (Rs.) | Volume |
| April, 2020 | 12.20 | 9.45 | 2,576 | 17.95 | 9.25 | 46,809 |
| May, 2020 | 17.28 | 12.81 | 6,763 | 17.80 | 15.00 | 18,099 |
| June, 2020 | 18.04 | 14.55 | 36,362 | 17.70 | 14.45 | 58,465 |
| July, 2020 | 17.75 | 12.45 | 9,354 | 17.90 | 11.85 | 65,859 |
| August, 2020 | 19.11 | 12.16 | 33,059 | 19.45 | 12.20 | 1,20,787 |
| September, 2020 | 18.65 | 16.10 | 9,342 | 18.65 | 14.05 | 39,648 |
| October, 2020 | 17.20 | 14.00 | 2,804 | 15.85 | 13.15 | 88,504 |
| November, 2020 | 14.06 | 12.77 | 9,840 | 14.70 | 12.00 | 34,317 |
| December, 2020 | 21.15 | 13.67 | 57,962 | 21.75 | 13.55 | 2,10,323 |
| January, 2021 | 20.10 | 16.15 | 31,190 | 20.45 | 17.00 | 59,461 |
| February, 2021 | 19.40 | 14.55 | 51,670 | 20.80 | 14.35 | 1,31,092 |
| March, 2021 | 16.80 | 13.30 | 53,942 | 17.40 | 13.40 | 1,04,985 |

i. Performance in Comparison



ii. Registrar & Share Transfer Agents & address for Correspondence (Company's RTA)

M/s. Link Intime India Private Limited
C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra
Tel. No. 022 – 4918 6270
Fax No. 022 – 4918 6060
Email ID: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

The shareholders are requested to address all their communications/ suggestions/grievances to the Company's RTAat the above address.

iii. Share Transfer System

The Board of Directors of the Company, in order to expedite the process, has delegated the power of approving transfer, transmission etc. of the securities of the Company to the Registrar & Transfer Agents. Securities lodged for transfer, transmission, etc. are normally processed within the stipulated time as specified under the Listing Regulations and other applicable provisions of the Companies Act, 2013. The Company has duly obtained certificates on half yearly basis from the Practicing Company Secretary, certifying due compliance with the formalities of share transfer as required under clause 47(c) and Regulation 40(9) of the Listing Regulations and submitted a copy of the certificate to the Stock Exchanges where the securities of the Company are listed.

iv. Shareholding Pattern as on 31st March, 2021

| **Category** | **No. of Shares** | **%** |
|---|---|---|
| Promoter & Promoter Group | 3,223,766 | 37.33 |
| Bodies Corporate | 1,954,859 | 22.64 |
| Trusts | 501,390 | 5.82 |
| Hindu Undivided Family | 177,028 | 2.05 |
| Public | 2,263,812 | 26.22 |
| Others | 515,708 | 5.94 |
| TOTAL | 86,36,563 | 100% |

**v. Distribution of Shareholding as on 31st March, 2021**

| **Particulars** | **Shareholders** | | **Shares** | |
|---|---|---|---|---|
| | **Number** | **%** | **Number** | **%** |
| Less than 500 | 3711 | 83.75 | 477,403 | 5.53 |
| 501 – 1000 | 321 | 7.24 | 263,686 | 3.05 |
| 1001 – 2000 | 174 | 3.93 | 261,822 | 3.03 |
| 2001 – 3000 | 62 | 1.40 | 159,396 | 1.85 |
| 3001 – 4000 | 33 | 0.74 | 118,939 | 1.38 |
| 4001 – 5000 | 27 | 0.61 | 122,715 | 1.42 |
| 5001 – 10000 | 39 | 0.88 | 290,562 | 3.36 |
| Above 10000 | 64 | 1.45 | 6,942,040 | 80.38 |
| **TOTAL** | **4431** | **100.00** | **86,36,563** | **100.00** |

**vi. Dematerialization of shares and liquidity**

79.00% of the paid – up capital is held in dematerialized form with National Securities Depository Limited (NSDL) and 20.56% is held with Central Depository Services (India) Limited (CDSL) as on 31st March, 2021 under ISIN - INE065B01013

| **Sr. No.** | **Mode of Holding** | **No. of Shares** | **%** |
|---|---|---|---|
| 1. | NSDL | 6,823,292 | 79.00 |
| 2. | CDSL | 1,776,064 | 20.57 |
| 3. | Physical | 37,207 | 0.43 |
| | **TOTAL** | **86,36,563** | **100%** |

**vii. During the year under review, the Company has not issued any GDSs/ADRs.**

**viii. Commodity price risk or foreign exchange risk and hedging activities**

Not Applicable.

**ix. Plant Locations**

Survey No. 263/3/2/2, Village Sayli, Umar Kuin Road, Silvassa – 396 230, Dadra & Nagar Haveli

**x. Address for Correspondence**

**Regd. Office:** Survey No. 263/3/2/2, Village Sayli, Umar Kuin Road, Silvassa – 396 230, Dadra & Nagar Haveli

**Corp. Office:** 35/C, 2nd Floor, Popular Press Building, Pt. M. M. Malviya Road, Tardeo, Mumbai – 400 034, Maharashtra

**xi. Credit Ratings**

On the basis of operational and financial performance of the Company, CARE Ratings Limited has given "CARE D" Rating to your Company. The Managing Director himself guides and monitors this exercise.

**OTHER DISCLOSURES**

i. There have been no materially significant Related Party Transactions that may have potential conflict with the interests of the Company at large. Transactions with related party set out in Notes to Accounts, forming part of the Annual Report.

ii. The Company has complied with the requirements of Stock Exchanges, SEBI and other statutory authorities on all the matters related to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the said authorities relating to the above.

iii. Pursuant to Section 177(9) and (10) of the Act and Regulation 22 of Listing Regulations, the Company has a Whistle-Blower Policy and vigil mechanism for Directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company has been denied access to the Audit Committee pertaining to Whistle Blower Policy. The said Policy has been hosted on the website of the Company and can be accessed through weblink at www.imp-powers.com.

iv. The Company has complied with the all the mandatory requirements of the Company Law, Securities Law & other applicable laws.

The status of Compliance with the non-mandatory requirements is as follows –

| Sr. No. | Particulars | Remarks |
|---|---|---|
| 1. | Non-Executive Chairman's Office | Shri Ramdas T. Rajguroo (Non – Executive Independent Director) is the Chairman of the Company. |
| 2. | Shareholder's Rights | As the quarterly and half yearly financial performance are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders. |
| 3. | Audit Qualifications | The Company's financial statements for the year 2020-21 does not contain any qualifications. |
| 4. | Separate posts of Chairman and CEO | Shri Ramdas T. Rajguroo (Non – Executive Independent Director) is the Chairman of the Company. However, no person is designated as CEO in the Company. |

v. As on 31st March, 2021, the Company does not have any material subsidiary. However, the Company's policy on "material subsidiary" and policy on dealing with related party transactions have been placed on the Company's website and can be accessed through weblink at www.imp-powers.com.

vi. Details of Utilization of funds raised through preferential allotment

During the year under review, no funds were raised through preferential allotment.

vii. During the year under review, the Board has accepted all the recommendations from the various Committee(s).

viii. During the year under review, Rs. 4,25,000/- (Rupees Four Lakhs Twenty Five Thousands only) was paid to Statutory Auditors as Audit Fees and 82,110/- (Rupees Eighty Two Thousand One Hundred and Ten Only) was paid for other services.

ix. The Company has constituted an Internal Complaint Committee (ICC) pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for prevention, prohibition and redressal of complaints/grievances on the sexual harassment of women at work places. During the year under review, there were no cases filed pursuant to the above Act and accordingly, there was no meeting convened and held byICC.

x. The Company has complied with the requirements as mentioned in Schedule V, Para C, sub-paras (2) to (10) of the SEBI (LODR) Regulations, 2015.

xi. The Company has complied with all the requirements as specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the Corporate Governance requirements specified under Regulation 17 to 27 and clauses (b) to (i) of sub-regulations (2) of Regulation 46.

xii. Certificate from Practicing Company Secretary for Directors' non-disqualification

# 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,**
**IMP Powers Limited,**
Survey No. 263/3/2/2, Village Sayli,
Umar Kuin Road, Silvassa - 396230,
Dadra & Nagar Haveli (U.T.)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of IMP Powers Limited having Corporate Identity Number (CIN): L31300DN1961PLC000232 and having its Registered Office at Survey No. 263/3/2/2, Village Sayli, Umerkuin Road, Silvassa - 396230, Dadra & Nagar Haveli (U.T.) (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal of Ministry of Corporate Affairs (MCA) i.e., www.mca.gov.in] as considered necessary and explanations furnished to us by the Company & its Officers, we hereby certify that none of the Directors on the Board of the Company as stated below for Financial Year ending on 31st March, 2021, have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN |
|---|---|---|
| 1. | Shri Ramniwas R. Dhoot# | 00210094 |
| 2. | Shri Ajay R. Dhoot | 00210424 |
| 3. | Shri Aaditya R. Dhoot | 00057224 |
| 4. | Shri Ramdas T. RajGuroo | 00001424 |
| 5. | Shri Prashant J. Pandit | 03079878 |
| 6. | Shri Praveen Saxena | 03199264 |
| 7. | Smt. Dipali S. Pitale $ | 08564258 |

***Note: (#)***Shri Ramniwas R. Dhoot ***resigned with effect from 15th March, 2021.***

***($)Smt. Dipali S. Pitale resigned with effect from 10th February, 2021.***

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.

**For Priya Shah & Associates**
**Practicing Company Secretaries**

**Priya Shah**
**Proprietor**
**Membership No. 10763**
**CP No. 21827**
**UDIN: F010763C000895988**

**Place: Mumbai**
**Date: 4th September, 2021**

## CEO/CFO Certification to the Board

As required under Regulation 17(8) and 33(2) (a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Certificates are duly signed by Shri Aditya R. Dhoot, Managing Director.

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

**IMP Powers Limited**

**Sd/-**
**Aditya R. Dhoot**
**Managing Director**
**DIN: 00057224**

**Date: 30th June, 2021**
**Place: Mumbai**

## Compliances with Code of Business Conduct and Ethics

All the Directors and the Senior Management Personnel have affirmed Compliances of the Code of conduct laid down by the Board of Directors in terms of Regulation 17(5) (a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

**For and on behalf of the Board of Directors of**
**IMP Powers Limited**

**Sd/-**
**Aditya R. Dhoot**
**Managing Director**
**DIN: 00057224**

**Date: 4th September, 2021**
**Place: Mumbai**

**Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The Members of IMP Powers Limited

1. We have examined the compliance of conditions of Corporate Governance by IMP Powers Limited (hereinafter the "Company"), for the year ended on March 31, 2021, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

**Management's Responsibility**

2. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations

**Auditor's Responsibility**

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

4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2021.

5. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include but not limited to verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.

8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

**Opinion**

9. 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.

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

**Restriction on Use**

11. This Report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

12. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **V.S.Somani and Co.**
Chartered Accountants
Firm Reg No. 117589W

**V.S.Somani**
Proprietor
M. No. 102664
UDIN No. 21102664AAAALE6259

Place: Mumbai
Date: September 04, 2021

# MANAGEMENT DISCUSSION AND ANALYSIS

**Company Philosophy on Corporate Governance**

Corporate Governance is a mechanism by which the values, policies and procedures of the organisation are inculcated and manifested. The essence of Corporate Governance lies in promoting and maintaining integrity and transparency in dealings by the Promoters.

**Future Outlook**

While once in a century Pandemic of the Covid-19, an unforeseen Force Majeure has disrupted Indian economy (and global economy too) in general and your company in particular substantially, affecting availability of raw materials from Suppliers in Red Zones, substantial increase in price of steel, metals, copper, travel restrictions affecting inspections by customers, etc.

There are sufficient Order position with the Company, few of the Suppliers exiting transformers business, support from the lenders and banks, rationalisation of manpower, substitute of diesel by gas and other various costs cuts, etc. The Company has transformed its customers profile with entire focus on business from Non utility. customers as compared to business from govt. customers.

However, intermittent STOP-START-STOP flipping of business operations lead to lot of uncertainty, impacting our liquidity with cascading effect. In such scenario, the Company has adopted a cautious approach of Survive-Stabilise-Sustain-Grow.

**Financial & Operational Performance**

(Rs. in lakhs)

| Particulars | FY 2020-21 | FY 2019-20 |
|---|---|---|
| Revenue from Operations | 9526.07 | 26,667.47 |
| Profit before Tax (PBT) | (10227.59) | (2133.55) |
| Profit after Tax (PAT) | (7217.47) | (1424.47) |

**Concerns**

Due to COVID-19 pandemic there are wide spread concerns about economic slowdown globally including India, with disruption of business having cascading impact on its liquidity.

**Internal Control Systems**

Your Company's internal controls systems are commensurate with the nature and size of its business operations. Adequate internal controls, systems and checks are in place and the management exercises financial controls on the operations through a well – defined processes.

Overall industrial demand slackening, constraints of banking and financial support, delay in collection of Receivables from the government owned PSUs, etc.

**Human Resources**

The Company continues its focus on development of human resources. The Company is a firm believer that its employees are its strength and the Company therefore respects individual rights and dignity of all its employees. The relations of the management with employees during the year continued to be cordial. Learning and development has been strengthened to bring value addition in the employee and to enhance team building leading towards success. The Company focuses on providing the employees, employee - friendly environment and culture and career growth opportunities. As the global pandemic of Chinese Corona has taken its toll on the Company's current performance, the Company, with a view to survive during such difficult times, has initiated various cost & manpower rationalisation measures.

**Cautionary Statement**

Statement in the Management Discussion and Analysis describing the Company's objectives and expectations regarding future performance may be "forward looking statements" and are based on currently available information. The management believes these to be true to the best of its knowledge at the time of preparation of this report. However, these statements are subject to certain future events and uncertainties, which could cause actual results to differ materially from those, which may be indicated in such statements.

# INDEPENDENT AUDITOR'S REPORT

**To the Members of IMP Powers Limited**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the standalone financial statements of IMP Powers Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss, (statement of changes in equity) and statement of cash flows for the year then ended, and notes to the IND As 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 standalone IND As financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and Loss, (changes in equity) and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 ethical 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.

**Emphasis of Matter**

1. We draw attention to Note 41 of the standalone Ind AS financial statements, which states the impact of Coronavirus Disease-2019 (COVID-19) on the operations of the Company.
2. Balances of Trade Receivables, Trade Payables and Loans and advances are subject to confirmations and reconciliations.

**Our opinion is not modified in respect of these matter.**

**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, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matter | Auditor's Response |
|---|---|
| Litigations, provisions and Contingent Liabilities<br><br>The Company has several litigations for direct taxes matters i .e. Income Tax under dispute which involves significant judgment and estimates on the possible outcome of the litigations and consequent provisioning thereof or disclosure as contingent liabilities .Refer Note No. 34.1 of INDAs Standalone financial statement. | Principal Audit Procedures<br><br>As part of the audit process, we obtained from the management details of matters under disputes including ongoing and completed tax assessments, demands and other litigations.<br><br>Our Audit approach for the above consists of the following audit procedures.<br><br>- Evaluation and testing of the design of internal controls followed by the Company relating to litigations and open tax positions for the direct tax matters i .e. Income Tax and processed followed to decide provisioning or disclosure as contingent liabilities;<br><br>- Discussed with Company's legal team and taxation team for sufficient understanding of on-going and potential litigation matters impacting the Company.<br><br>- We involved our internal expert to evaluate the management's underlying judgments in making their estimates with regard to such matters. |

**Information other than the Financial Statements and Auditor's Report thereon**

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management for the Ind AS Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

**Auditor's Responsibilities for the Audit of the Standalone Ind As Financial Statements**

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

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

1. 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.

2. 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.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. 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.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("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.

As required by Section 143(3) of the Act, we report that:

1. 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.
2. 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 and proper returns adequate for the purposes of our audit.
3. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
4. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
5. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
6. 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".
7. 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:
    - The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No.34.1 in its financial position in its standalone Ind AS financial statements
    - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - An amount of Rs. 34,095 which was required to be transferred to the Investor Education and Protection Fund by the Company which has not been transferred

For **V.S. SOMANI & CO.**
Chartered Accountants
Firm Registration Number: 117589W

**CA Vidyadhar Somani**
Proprietor
Membership No: 102664
UDIN No. 21102664AAAAIV4619

Place: Mumbai
Date: July 04, 2021

**The Annexure A referred to in Independent Auditors' Report to the members of the Company under the heading 'Report on Other Legal and Regulatory Requirements' on the financial statements for the year ended 31 March 2021 we report that:**

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets

(b) As explained to us, the fixed assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion this periodicity of physical verification is reasonable having regard to the size of company and nature of its assets.

(c) The title deeds of the immovable properties as disclosed in schedule of fixed assets to the financial statements, are held in the name of the Company.

(ii) The physical verification of inventory has been conducted at reasonable intervals by the management during the year. In respect of inventory lying with third parties, these have been confirmed by them. In our opinion, the frequency of verification is reasonable. No material discrepancies have been noticed on such verification.

(iii) In our opinion and according to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii) (a), 3 (iii) (b) and 3 (iii) (c) of the order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, during the year the Company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under Section 185 of the Act. The Company has made no investments which are covered under provision of Section 186 of the Act. Hence the clause is not applicable.

(v) The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Act and Rules framed there under to extent notified.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the order made by the Central Government for maintenance of cost records prescribed under sub-section 1 of section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us and the records of the Company examined by us, in our opinion,

a) Undisputed statutory dues, including provident fund, employee state insurance, income tax, cess and any other material statutory dues have not been regularly deposited with the appropriate authorities and there have been delays. Undisputed amounts payable in respect thereof, which are outstanding at the year-end for a period of more than six months form the date they become payable is as follows:

| Name of Statute | Nature of Dues | Amount (Rs. In Lakh) | Period to which the amount relates | Due Date | Date of Payment |
|---|---|---|---|---|---|
| Employee State Insurance, 1948 | ESI | 1.80 | March 2020 to March 2021 | 15th day of the subsequent month | Not yet paid |

b) According to the information and explanations given to us, and the records of the company examined by us, the dues in respect of Income tax ,sales tax, duty of customs, service tax, Goods and Service Tax, entry tax, value added tax, on account of any dispute are as follows.

Amount in Cr.

| Name of the Statute | Period to which the amounts relates | Commissionerate | Deposit | Net |
|---|---|---|---|---|
| Income Tax Act,1961 (Tax / Interest / Penalty) | 2006-2007 to 2015-2016 | 4.79 | 0 | 4.79 |

(viii) According to the records of the Company which has been examined by us and the information and explanation given to us, the Company has defaulted in repayment of loan or borrowing from financial institution and bank as per details given below.

| Name of the Financial Institution/ Bank | Principal | Period of Default | Interest | Period of Default |
|---|---|---|---|---|
| STCI Finance Limited | 5.51 Cr | February 2020, November 2020<br>February 2021 | 0,32 Cr. | February 2020, November 2020<br>February 2021 |
| State Bank of India | 1.79 Cr | December 2020 and March 2021 | 0.04 Cr | March 2021 |

(ix) In our opinion and according to the information and explanation given to by the management, the term loans were applied for the purpose for which the loans were obtained.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instances of material fraud by the Company or on the Company by its officers or employees noticed or reported during the year nor have we been informed of any such case by the management.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required under Ind AS and Companies Act, 2013.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence reporting under paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of Clause 3(xvi) of the order are not applicable to the Company.

For **V.S. SOMANI & CO.**
Chartered Accountants
Firm Registration Number: 117589W

**CA Vidyadhar Somani**
Proprietor
Membership No: 102664
UDIN No. 21102664AAAAIV4619

Place: Mumbai
Date: July 04, 2021

**Annexure - B to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of Imp Powers Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion and to the best of our information & according to the explanations give to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, 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 **V.S. SOMANI & CO.**
Chartered Accountants
Firm Registration Number: 117589W

**CA Vidyadhar Somani**
Proprietor
Membership No: 102664
UDIN No. 21102664AAAAIV4619

Place: Mumbai
Date: - July 04, 2021

- Litigations
- Key Audit Matters
- Emphasis of matters
- Going concern
- Report on physical verification of assets
- Inventory verification along with lying with third parties
- Delay in payment of taxes
- Cost audit report/ cost records
- Delay in payment of taxes , PF ESIC
- Taxes disputed
- Delay in payment of loans, Defaults in LCs
- Related party transactions
- Unpaid dividend

## Balance Sheet as at 31st March, 2021

| Particulars | | | Notes | As at March 31,2021 ₹ | As at March 31,2020 ₹ |
|---|---|---|---|---|---|
| I | **ASSETS** | | | | |
| | **A** | **Non- Current Assets** | | | |
| | | (a) Property , Plant and Equipment | **3 (a)** | 620,747,826 | 692,422,216 |
| | | (b) Intangible assets | **4** | 2,835,180 | 3,091,345 |
| | | (c) Right of use of Assets | **5** | 8,827,609 | 16,446,565 |
| | | (d) Investments | **6** | 7,748,405 | 7,748,405 |
| | | (e) Other Non- Current Assets | **7** | 5,148,356 | 5,151,450 |
| | | (f) Deferred Tax Assets / (Liabilities) | **8** | 327,403,284 | 26,390,301 |
| | | **Total Non- Current Assets** | | **972,710,660** | **751,250,282** |
| | **B** | **Current Assets** | | | |
| | | (a) Inventories | **9** | 1,187,927,228 | 1,655,700,113 |
| | | (b) Financial Assets | | | |
| | | (i) Trade Receivables | **10** | 917,050,367 | 935,759,747 |
| | | (ii) Cash and Cash Equivalents | **11** | 8,547,496 | 2,034,086 |
| | | (iii) Bank Balance other than Cash and Cash Equivalent | **12** | 170,364,335 | 244,599,018 |
| | | (iv) Loans | **13** | 152,426,255 | 2,747,047 |
| | | (c) Other Current assets | **14** | 198,359,901 | 188,785,724 |
| | | (d) Assets held- for- sale | **3 (b)** | 28,059,644 | 28,059,644 |
| | | **Total Current Assets** | | **2,662,735,226** | **3,057,685,379** |
| | | **TOTAL ASSETS** | | **3,635,445,886** | **3,808,935,661** |
| II | **A** | **EQUITY AND LIABILITIES** | | | |
| | | **EQUITY** | | | |
| | | (i) Equity Share Capital | **15 (a)** | 86,387,630 | 86,387,630 |
| | | (ii) Warrant Application Money | **15 (b)** | - | 15,812,500 |
| | | (iii) Other Equity | **16** | 191,242,152 | 896,375,292 |
| | | **Total Equity** | | **277,629,782** | **998,575,422** |
| | **B** | **Non-current liabilities** | | | |
| | | (a) Financial Liabilities | | | |
| | | (i) Borrowings | **17** | 12,974,764 | 20,228,094 |
| | | (ii) Other Financial Liabilities | **18** | 176,331,332 | 191,441,895 |
| | | (b) Provisions | **19** | 8,643,068 | 8,107,473 |
| | | **Total Non-Current Liabilities** | | **197,949,164** | **219,777,462** |
| | **C** | **Current liabilities** | | | |
| | | (a) Financial Liabilities | | | |
| | | (i) Borrowings | **20** | 1,998,200,012 | 1,248,750,333 |
| | | (ii) Lease Liabilities | **5** | 10,513,250 | 17,441,761 |
| | | (iii) Trade payables | | | |
| | | **Total outstansing dues of Micro Enterprises & Small Enterprises** | **21** | **12,699,473** | **16,036,298** |
| | | **Total outstansing dues of Creditors other than Micro & Small Enterprises** | **21** | **659,365,677** | **1,012,585,636** |

## Balance Sheet as at 31st March, 2021

| Particulars | Notes | As at March 31,2021 ₹ | As at March 31,2020 ₹ |
|---|---|---|---|
| (iv) Other Financial liabilities | **22** | 374,461,613 | 193,529,433 |
| (b) Other Current liabilities | **23** | 77,298,092 | 71,712,172 |
| (c) Provisions | **24** | 7,446,945 | 6,048,642 |
| (d) Current Tax Liabilities (Net) | **25** | 19,881,878 | 24,478,502 |
| **Total Current Liabilities** | | **3,159,866,940** | **2,590,582,777** |
| **Total Equity and Liabilities** | | **3,635,445,886** | **3,808,935,661** |
| Significant accounting policies | **2** | | |

The accompanying notes are an integral part of financial statements

As per our report annexed
**For V.S. SOMANI AND Co.,**
*Chartered Accountants*
Firm Registration No.: 117589W

For and on behalf of the Board of Directors

**CA Vidyadhar S Somani**
*Proprietor*
Membership No.: 102664

**AJAY R DHOOT**
*Vice Chairman*
Din 00210424

**ADITYA R DHOOT**
*Managing Director*
Din 00057224

**SHANTILAL SURANA**
*Chief Financial Officer*

**ANITA JAISWAL**
*Company Secretary*

Place:- Mumbai
Date :- 30/06/2021

## Statement of Profit and Loss for the Year ended 31 March, 2021

| Particulars | Note No. | 2020-21 ₹ | 2019-20 ₹ |
|---|---|---|---|
| **I INCOME** | | | |
| Revenue from operations | 26 | 939,907,761 | 2,645,510,773 |
| Other income | 27 | 12,699,662 | 21,236,868 |
| **Total Income** | | **952,607,423** | **2,666,747,641** |
| **II Expenses** | | | |
| (a) Cost of materials consumed | 28(a) | 736,720,657 | 2,397,101,217 |
| (b) Changes in inventories of finished goods and work-in-progress | 28(b) | 131,339,264 | (260,043,454) |
| (c) Employee benefits expense | 29 | 105,049,719 | 156,529,753 |
| (d) Finance costs | 30 | 385,537,049 | 308,287,334 |
| (e) Depreciation and amortisation expenses | 31 | 75,111,565 | 72,037,645 |
| (f) Other expenses | 32 | 139,254,584 | 206,190,376 |
| **Total expenses** | | **1,573,012,838** | **2,880,102,871** |
| **III Profit / (Loss) before Excetional item & tax (I-II)** | | (620,405,415) | (213,355,230) |
| **IV Exceptional items** | 33 | 402,354,109 | - |
| **V Profit / (Loss) before tax (III-IV)** | | **(1,022,759,524)** | **(213,355,230)** |
| **VI Tax expense:** | | | |
| (a) Current tax expense for the year | | - | - |
| (b) Deferred tax | 8 | (301,012,982) | (70,907,604) |
| | | **(301,012,982)** | **(70,907,604)** |
| **VII Profit for the Year (V-VI)** | | (721,746,542) | (142,447,626) |
| **VIII Other Comprehensive Income/Expenses** | | | |
| Other Comprehensive Income not reclassified into Profit & Loss in subsequent year | | | |
| Re-measurement gains/Losses on defined benefit plans | | 800,902 | (792,253) |
| **Total Other Comprehensive Income for the year** | | **800,902** | **(792,253)** |
| **IX Total Comprehensive Income for the year (Comprising profit and other comprehensive income for the year) (VII-VIII)** | | **(720,945,640)** | **(143,239,879)** |
| **X Earnings per Equity share (of Face value of ₹10/- each):** | | | |
| (a) Basic | | (83.57) | (16.49) |
| (b) Diluted | | (83.57) | (15.51) |
| Earnings per share (excluding extraordinary items) (of ₹10/- each): | | | |
| (a) Basic | | (83.57) | (16.49) |
| (b) Diluted | | (83.57) | (15.51) |
| Significant accounting policies | 2 | | |

The accompanying notes are an integral part of financial statements

As per our report annexed

**For V.S. SOMANI AND Co.,**
*Chartered Accountants*
Firm Registration No.: 117589W

**CA Vidyadhar S Somani**
*Proprietor*
Membership No.: 102664

Place:- Mumbai
Date :-30/06/2021

For and on behalf of the Board of Directors

**AJAY R DHOOT**
*Vice Chairman*
Din 00210424

**ADITYA R DHOOT**
*Managing Director*
Din 00057224

**SHANTILAL SURANA**
*Chief Financial Officer*

**ANITA JAISWAL**
*Company Secretary*

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

| Particulars | | For the Year Ended 31st March 2021 | | For the Year Ended 31st March 2020 | |
|---|---|---|---|---|---|
| | | ₹ | ₹ | ₹ | ₹ |
| **A.** | **Cash flow from operating activities** | | | | |
| | **Profit before tax** | | (1,022,759,524) | | (213,355,230) |
| | **Adjustments to reconcile profit before tax to net cash flow** | | | | |
| | Depreciation and amortisation | 75,111,565 | | 72,037,645 | |
| | (Profit) / loss on sale / write off of assets | 3,347,745 | | (111,400) | |
| | Finance costs | 385,537,049 | | 308,287,334 | |
| | Remeasurement gain/loss on define benefit plans | (800,902) | | 792,253 | |
| | | | 464,797,261 | | 379,421,326 |
| | **Operating Profit / (loss) before working capital changes** | | (557,962,263) | | 166,066,096 |
| | *Changes in working capital:* | | | | |
| | **Adjustments for (increase) / decrease in operating assets:** | | | | |
| | Inventories | 467,772,885 | | (351,482,503) | |
| | Trade receivables | 18,709,380 | | 475,438,612 | |
| | Current financial loan & other current assets | (85,018,702) | | (83,180,553) | |
| | Non-current financial assets & other non-current assets | 3,094 | | 22,984 | |
| | **Adjustments for increase / (decrease) in operating liabilities:** | | | | |
| | Trade payables | (356,556,783) | | (184,174,878) | |
| | Other current financial liabilities | 180,932,180 | | 20,806,710 | |
| | Other current liabilities | 5,585,920 | | (318,918) | |
| | Provision and Current tax | (3,198,321) | | (5,019,695) | |
| | Non-current financial liabilities | (15,110,563) | | (26,790,814) | |
| | Provision | 535,595 | | 3,391,518 | |
| | | | 213,654,685 | | (151,307,537) |
| | | | (344,307,578) | | 14,758,559 |
| | Cash flow from extraordinary items | | - | | - |
| | Cash generated from operations | | (344,307,578) | | 14,758,559 |
| | **Net cash flow from / (used in) operating activities (A)** | | **(344,307,578)** | | **14,758,559** |
| **B.** | **Cash flow from investing activities** | | | | |
| | Purchase of property, plant and equipment (including capital work in progress and capital advance)net off | (1,817,277) | | (25,563,133) | |
| | Advance towards sale of assets | - | | 5,200,000 | |
| | Proceeds from sale of fixed assets | 2,907,475 | | 631,780 | |
| | **Net cash flow from / (used in) investing activities (B)** | | **1,090,199** | | **(19,731,353)** |

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

| Particulars | | For the Year Ended 31st March 2021 | | For the Year Ended 31st March 2020 | |
|---|---|---|---|---|---|
| | | ₹ | ₹ | ₹ | ₹ |
| **C.** | **Cash flow from financing activities** | | | | |
| | Proceeds from long-term borrowings( Net) | (7,253,330) | | (24,695,041) | |
| | Proceeds from other short-term borrowings | 742,521,168 | | 337,134,273 | |
| | Finance cost | (385,537,049) | | (308,287,334) | |
| | **Net cash flow from / (used in) financing activities (C)** | | 349,730,789 | | 4,151,898 |
| | Net increase / (decrease) in Cash and cash equivalents (A+B+C) | | 6,513,410 | | (820,896) |
| | Cash and cash equivalents at the beginning of the year | | 2,034,086 | | 2,854,982 |
| | Cash and cash equivalents at the end of the year | | 8,547,496 | | 2,034,086 |

Notes:

1. Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Ind-AS 7
2. Previous Year's figures have been regrouped/reclassifed wherever applicable.

**See accompanying notes forming part of the financial statements**

Significant accounting policies

The accompanying notes are an integral part of financial statements

As per our report annexed
**For V.S. SOMANI AND Co.,**
*Chartered Accountants*
Firm Registration No.: 117589W

For and on behalf of the Board of Directors

**CA Vidyadhar S Somani**
*Proprietor*
Membership No.: 102664

**AJAY R DHOOT**
*Vice Chairman*
Din 00210424

**ADITYA R DHOOT**
*Managing Director*
Din 00057224

**SHANTILAL SURANA**
*Chief Financial officer*

**ANITA JAISWAL**
*Company Secretary*

Place:- Mumbai
Date :- 30/06/2021

## Statement of Changes in Equity For the Year ended 31st March 2021

| Particulars | Equity Share Capital | Capital Reserve | Preference Shares Capital Redemption Reserve | Security Premium Account | General Resere | Warrant Application Money | Retained Earnings | Total Equity |
|---|---|---|---|---|---|---|---|---|
| | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| **As at April 1, 2019** | **86,387,630** | **7,445,000** | **57,762,140** | **513,577,741** | **133,518,064** | **15,812,500** | **327,312,227** | **1,141,815,302** |
| Payment of dividend | - | - | - | - | - | - | - | - |
| Payment of dividend distribution tax | - | - | - | - | - | - | - | - |
| Warrant Application Money | - | - | - | - | - | - | - | - |
| Other Comprehensive Income | - | - | - | - | - | - | (792,253) | (792,253) |
| Warrant forfited | - | 15,812,500 | - | - | - | (15,812,500) | | - |
| Current year profit | - | - | - | - | - | - | (142,447,627) | (142,447,627) |
| **As at March 31,2020** | **86,387,630** | **23,257,500** | **57,762,140** | **513,577,741** | **33,518,064** | **-** | **184,072,347** | **998,575,422** |
| | | | | | | | | |
| **As at April 1, 2020** | **86,387,630** | **23,257,500** | **57,762,140** | **513,577,741** | **33,518,064** | **-** | **184,072,347** | **998,575,422** |
| Payment of dividend | - | - | - | - | - | | - | - |
| Payment of dividend distribution tax | - | - | - | - | - | | - | - |
| Other Comprehensive Income | - | - | - | - | - | | 800,902 | 800,902 |
| Current year profit | - | - | - | - | - | | (721,746,542) | (721,746,542) |
| **As at March 31,2021** | **86,387,630** | **23,257,500** | **57,762,140** | **513,577,741** | **33,518,064** | **-** | **(536,873,293)** | **277,629,782** |

The accompanying notes are an integral part of the financial statements

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As per our report annexed
**For V.S. SOMANI AND Co.,**
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Firm Registration No.: 117589W

For and on behalf of the Board of Directors

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Din 00210424

**ADITYA R DHOOT**
*Managing Director*
Din 00057224

**SHANTILAL SURANA**
*Chief Financial officer*

**ANITA JAISWAL**
*Company Secretary*

Place:- Mumbai
Date :- 30/06/2021

## Notes to Financial Statements For the year ended March 31, 2021

**Note 1: Corporate information**

IMP Powers Limited is a public Company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The Company's principal business is manufacturing of transformers. The Company caters to both domestic and international markets. The company's stock is listed on two recognized stock exchanges in India. The financial statements were authorized for issue in accordance with a resolution of the Board of directors on 30th June 2021.

**Note 1.2 Recent Accounting Developments**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2021. MCA issued notifications dated 24th March, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1st April, 2021

**Note 2: Basis of preparation measurement and significant accounting policies**

**2.1. Basis of preparation and measurement**

**2.1.1 Basis of Preparation :-** These financial statements for the year ended 31st March, 2021, comprising of Balance Sheet, Statement of Profit and Loss (Including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

**2.1.2 Measurement: -** These financial statements have been prepared on accrual basis and under historical cost basis.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Company has prepared these financial statements as per the format prescribed in Schedule III to The Companies Act, 2013.

**2.2 Change in accounting policies**

**2.2.1 Accounting for leases**

The Company's lease asset classes primarily consist of leases for Building. The Company assesses whether a contract is contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized 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. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company has lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and again the Company's business needs. Management exercise significant judgment in determining whether theses extension and termination option are reasonably certain to be exercised (see Note 5).

**2.3 Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelvemonths as its operating cycle.

**2.4. Revenue recognition**

Revenue from Products: Revenue from sale of products and services are recognized at a time at which the properties in goods are transferred to the buyer. In determining whether an entity has right to payment, the entity shall consider whether it would have an enforceable right to demand or retain payment for good supplied.

**Revenue is recognized at the transaction price.**

Transaction price is the amount of consideration to which a company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Interest and Dividend Income: Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognized when the shareholders' right to receive dividend is established.

Insurance Claim: Claims receivable are accounted at the time when such income has been earned by the Company depending on the certainty of receipts.

The specific recognition criteria described below must also be met before revenue is recognized.

**2.5. Export incentives**

Export Incentives such as Merchandise Export Incentive Scheme, is recognized in the Statement of Profit and Loss as a part of other operating revenues.

**2.6. Taxes**

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in statement of profit and loss or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establish provisions where appropriate.

**2.7. Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except:

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

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

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

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

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction neither in OCI nor directly in equity.

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

**2.8. Goods and Service Tax/ value added taxes paid on acquisition of assets or on incurring expenses**

Expenses and assets are recognized net of the amount of GST/ paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**2.9. Property, plant and equipment**

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost. Cost comprises the purchase price and any attributable cost of bringing asset to its working condition for its intended use only. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent

expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated as per schedule II of the companies act 2013 on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Company has used the following useful lives to provide depreciation on its fixed assets. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

| **Asset Class** | **Useful life** |
|---|---|
| Buildings | 30 years |
| Plant & Machinery | 15 years |
| Software | 6 years |
| Air Conditioning Equipment | 8 years |
| Furniture & Fixtures | 10 years |
| Office Equipment | 5 years |
| Motor Vehicles | 8 years |
| Computer Servers | 3 years |
| Electrical Installations | 10 years |
| Technical Knowhow | 10 years |

The management believes that the depreciation rates fairly reflect its estimation of the useful lives and residual values of the fixed assets.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**2.10. Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either infinite or finite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with infinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of infinite life is reviewed annually to determine whether the infinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Intangible assets are amortized on straight line method asunder:

- Software expenditure is amortized over a period of three years.
- Technical Knowhow expenditure is amortized over a period of ten years.

**2.11. Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. To the extent that the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings.

To the extent that the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowing costs eligible for capitalization by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset

**2.12. Investments:**

Current investments are carried at the lower of cost or quoted/ fair value, computed category-wise. Long term investments are stated at cost and provision is made for any diminution in such value, which is not temporary in nature.

**2.13 Leases**

The Company has entered into various arrangements like lease of premises which has been disclosed accordingly under Ind AS 116 At inception of a contract, the Company assesses whether contract is, or contains, lease. A contract is, or contains, a lease is the contract convey the right of control the use of an identified assets for the period of time in exchange for consideration. The assessment of whether a contract convey the right to control the use of as identified assets depends on whether the Company obtains substantially all the economic benefits from the use of the assets and whether the Company has a right to direct the use of the assets.

**2.13.1 Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Company recognizes to make lease payments and right-of-use assets representing the right to use the underlying assets.

**2.13.1.1 Right-of-use assets**

The Company recognizes right-of-assets at the commencement date of the lease (i.e , the date the underlying assets is available for use). The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of liabilities. Right-of-use assets are depreciated on a straight- basis over shorter of the lease term or the estimated useful life of the underlying assets as follows.

| Assets Class | Useful life |
|---|---|
| Building | 3 years |

If ownership of the leased assets transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the assets. The company presents right-of- use assets separately in the balance sheet.

**2.13.1.2 Lease Liabilities**

At the commencements date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payment includes fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees. The lease payment also includes the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or rare are recognized as expenses (unless the const is included in the carrying value of inventor) in the period in which the event or condition that triggers the payments occurs.

In calculating the present value of lease payment, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount lease liabilities are increased to reflect the accretion of interest and reduces for the lease payment made. In addition, the carrying amount of lease liabilities is re measured if there is a modification, a change in the lease terms, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying assets.

The Company's lease liabilities are included in current and non-current financial; liabilities. Lease liabilities have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**2.13.1.3 Short-term lease and leases of low-value assets**

The Company applies the short-term lease recognition exemption to the contracts which have a lease term of 12 months or less from the date of commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to the lease contract that are considered to the low value. Lease payments on short-term leases and leases of low-value assets are recognized as expenses on a straight –line basis over the lease term.

**2.14 Inventories**

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
- Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing cost. Cost of finished goods excluding GST. Cost is determined on a weighted average basis.
- Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**2. 15. Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating toa provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

**2.16. Retirement and other employee benefits**

**Defined Contribution plan**

Retirement benefit in the form of Provident Fund is defined contribution scheme. The Company has no obligation, other than the contribution payable to the abovementioned funds. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

**Defined benefit plan**

The Company has a defined benefit gratuity plan, which requires contribution to be made to a separately administered fund. The Company's liability towards this benefit is determined on the basis of actuarial valuation using Projected Unit Credit Method at the date of balance sheet.

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

**Past service costs are recognized in statement of profit and loss on the earlier of:**

- The date of the plan amendment or curtailment and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in statement of profit and loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

**Compensated absences**

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit and this is shown under short term provision in the Balance Sheet. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes and this is shown under long term provisions in the Balance Sheet. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Other Comprehensive Income and are not deferred. The Company presents the leave as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12-month sifter the reporting dates. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

**Termination benefits**

The Company recognizes termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Ifthe termination benefit falls due for more than 12-month sifter the balance sheet date, they are measured at present value of the future cash flows using the discount rate determined by reference to market yields at the balance sheet date on the government bonds.

**2.17 Cash and cash equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**2.18. Other Financial Assets:**

The Company classifies its financial assets in the following measurement categories:

(1) Those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and

(2) 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.

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

**2.19 Foreign currencies**

The Company's financial statements are presented in which is also the Company's functional currency. Transactions in foreign currencies are initially recorded by the Company at ₹ spot rate' at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in statement of profit and loss.

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

**2.20. Earnings per Share**

Basic Earnings per share (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 after adjusting impact of dilution shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

**2.21. Contingent liabilities and assets**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed 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 is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

**2.22 Significant accounting judgments, estimates and assumptions**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the

disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognized in the periods in which the results are known / materialized.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**a) Taxes**

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the Company's domicile. Based on approved plans and budgets, the company has estimated that the future taxable income will be sufficient to absorb MAT credit entitlement, which management believes is probable. Accordingly, the Company has recognized MAT credit as an asset.

**b) Defined benefit plans (gratuity benefits)**

The Company's obligation on account of gratuity, compensated absences and present value of gratuity obligation are determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Increase in future salary and gratuity is based on expected future inflation rates. Further details about gratuity obligations are given in note 19.

**2.23 non-current assets (or disposal groups) classified as held for sale:**

To classify any asset or disposal groups (comprising assets and liabilities) as "Asset / Disposal groups held for sale" they must be available for immediate sale and its sale must be highly probable. Such assets or group of assets / liabilities are presented separately in the Balance Sheet, in the line "Assets / Disposal groups held for sale" and "Liabilities included in disposal group held for sale" respectively. Once classified as held for sale, intangible assets and PPE are no longer amortized or depreciated. Such assets or disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell.

**Note :-3 (a) Property, Plant & Equipments**

| Particular | Free Hold Land | Building | Plant & Equipments | Electrical instaliation | Air Conditioning Equipments | Furniture & Fixtures | Office Equipments | Vehicles | Computer | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| Gross Carrying amount | | | | | | | | | | |
| As at April 1, 2019 | 33,051,968 | 539,907,182 | 789,569,933 | 18,662,129 | 5,821,833 | 26,807,623 | 7,182,440 | 55,186,720 | 16,761,669 | 1,492,951,497 |
| Additions | - | - | 1,455,736 | - | 5,085 | 138,239 | 387,826 | - | 249,800 | 2,236,686 |
| Deletion | - | - | - | - | - | - | - | 10,539,456 | 5,762,678 | 16,302,134 |
| Adjusted during the year* | 23,926,860 | 11,988,246 | - | - | - | - | - | - | - | 35,915,106 |
| **As at March 31,2020** | **9,125,108** | **527,918,936** | **791,025,669** | **18,662,129** | **5,826,918** | **26,945,862** | **7,570,266** | **44,647,264** | **11,248,792** | **1,442,970,943** |
| Additions | - | - | 1,759,157 | - | - | - | 58,120 | - | - | 1,817,277 |
| Deletion | - | - | - | - | - | - | - | 20,941,758 | - | 20,941,758 |
| Adjusted during the year* | - | - | - | - | - | - | - | - | - | - |
| **As at March 31,2021** | **9,125,108** | **527,918,936** | **792,784,826** | **18,662,129** | **5,826,918** | **26,945,862** | **7,628,386** | **23,705,506** | **11,248,792** | **1,423,846,462** |
| Accumalated Depreciation | | | | | | | | | | |
| As at April 1, 2019 | - | 217,579,947 | 395,994,788 | 17,591,697 | 4,515,729 | 23,160,350 | 4,775,034 | 30,195,441 | 15,614,694 | 709,427,680 |
| Depreciation for the year | - | 15,974,802 | 41,862,954 | 82,660 | 229,605 | 426,704 | 621,578 | 4,682,168 | 628,403 | 64,508,874 |
| Deletion | - | - | - | - | - | - | - | 9,976,175 | 5,556,189 | 15,532,364 |
| Adjusted during the year* | - | 7,855,462 | - | - | - | - | - | - | - | 7,855,462 |
| **As at March 31,2020** | **-** | **225,699,287** | **437,857,742** | **17,674,357** | **4,745,334** | **23,587,054** | **5,396,612** | **24,901,434** | **10,686,908** | **750,548,728** |
| Depreciation for the year | - | 16,010,366.64 | 45,574,452.70 | 20,017.35 | 193,388.31 | 376,327.95 | 585,334.83 | 4,275,730.71 | 200,824.95 | 67,236,443 |
| Deletion | - | - | - | - | - | - | - | 14,686,536 | - | 14,686,536 |
| **As at March 31,2021** | **-** | **241,709,654** | **483,432,195** | **17,694,374** | **4,938,723** | **23,963,382** | **5,981,947** | **14,490,629** | **10,887,733** | **803,098,636** |
| Net Book Value | | | | | | | | | | |
| **As at March 31,2020** | **9,125,108** | **302,219,649** | **353,167,927** | **987,772** | **1,081,583** | **3,358,808** | **2,173,654** | **19,745,830** | **561,884** | **692,422,215** |
| **As at March 31,2021** | **9,125,108** | **286,209,282** | **309,352,631** | **967,755** | **888,195** | **2,982,480** | **1,646,439** | **9,214,877** | **361,059** | **620,747,826** |

Note:- Building at Advent includes an amount of ₹ 1250/- representing value of share in Co-operative Housing Society Limited.

*Adjustment included regrouping of certain assets in to other class of assets.

**Note :- 3 (b): Assets held for sale**

| Particulars | As At March 31, 2021 | As At March 31, 2020 |
|---|---|---|
| Freehold Land | 23,926,860 | 23,926,860 |
| Building | 4,132,784 | 4,132,784 |
| **Total** | **28,059,644** | **28,059,644** |

## Notes to Financial Statements for the year ended March 31, 2021

Note :-4 Intangible assets

| Particular | Software | Technical Know how | Total |
|---|---|---|---|
| | ₹ | ₹ | ₹ |
| Gross Carrying amount | | | |
| As at April 1, 2019 | 1,067,548 | 3,060,096 | 4,127,644 |
| Additions | - | - | - |
| Deletion | 221,342 | - | 221,342 |
| **As at March 31,2020** | **846,206** | **3,060,096** | **3,906,302** |
| Additions | - | - | - |
| Deletion | - | - | - |
| **As at March 31,2021** | **846,206** | **3,060,096** | **3,906,302** |
| Accumulated Amortization | | | |
| As at April 1, 2020 | 448,164 | 188,636 | 636,800 |
| Amortization during the year | 139,278 | 153,004 | 292,282 |
| Deletion | 114,125 | - | 114,125 |
| **As at March 31, 2020** | **473,317** | **341,640** | **814,957** |
| Amortization during the year | 103,161 | 153,004 | 256,165 |
| Deletion | - | - | - |
| **As at March 31,2021** | **576,478** | **494,644** | **1,071,122** |
| Net Book Value | | | |
| **As at March 31,2020** | **372,889** | **2,718,456** | **3,091,345** |
| **As at March 31,2021** | **269,728** | **2,565,452** | **2,835,180** |

**Note :- 5 Leases**

**Refer note for accounting Policy of Leases**

**Note :- 5 (a): Right-of- Use Assets**

| Particulars | As at | |
|---|---|---|
| | **March 31, 2021** | March 31, 2020 |
| | ₹ | ₹ |
| Opening net carrying balance | 16,446,565 | - |
| Addition of Ind-As 116" Leases" as on April 01,2020 | - | 23,683,054 |
| Addition during the year | - | |
| Depreciation | 7,618,956 | 7,236,489 |
| **Total** | **8,827,609** | **16,446,565** |

**Note :- 5 (b): Lease Liabilities**

| Particulars | As at | |
|---|---|---|
| | **March 31, 2021** | March 31, 2020 |
| | ₹ | ₹ |
| Addition of Ind-As 116" Leases" as on April 01,2020 | 17,441,761 | - |
| Addition during the year | - | 23,683,054 |
| Accretion of Interest (Refer Note :-31 ) | 2,064,036 | 2,960,382 |
| Payment | (8,992,547) | (9,201,675) |
| **Total** | **10,513,250** | **17,441,761** |

Note:- The rate used for discounting is 12% pa

## Notes to Financial Statements for the year ended March 31, 2021

**Note :- 6 Investments**

| Particulars | As at March 31,2021 | | | As at March 31,2020 | | |
|---|---|---|---|---|---|---|
| | F.V. | Unquoted | Total | F.V. | Unquoted | Total |
| | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| **Unquoted equity shares (at cost) (Non trade)** | | | | | | |
| Investment in subsidiaries | | | | | | |
| 7,74,678 IMP Energy Limited Rs. 10/- each | 10.00 | 7,746,780 | 7,746,780 | 10.00 | 7,746,780 | 7,746,780 |
| **Others** | | | | | | |
| (a) 10 The Mogaveera Co-Op. Bank Limited f Rs. 100/- | 100.00 | 1,000 | 1,000 | 100.00 | 1,000 | 1,000 |
| (b) 25 The SVC Co-Op. Bank Limited Of Rs. 25/- | 25.00 | 625 | 625 | 25.00 | 625 | 625 |
| **Total** | | **7,748,405** | **7,748,405** | **135** | **7,748,405** | **7,748,405** |

**Note :- 7 Other Non-Current assets**

| Particulars | As At March 31, 2021 | As At March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| Other Financial assets | | |
| (a) Security deposits | | |
| Unsecured, considered good | 4,970,356 | 4,973,450 |
| (b) Other loans and advances | | |
| Unsecured, considered good | 178,000 | 178,000 |
| **Total** | **5,148,356** | **5,151,450** |

**Note :- 8 Income taxes and deferred taxes**

**Deferred Tax Assets / Liabilities**

| Particulars | As At March 31, 2021 | As At March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| Deferred tax Assets/ (Liability) | | |
| Tax effect of items constituting deferred tax liability | | |
| Opening Balance | 76,925,104 | 78,393,913 |
| On difference between book balance and tax balance of fixed assets | 5,039,000 | (2,793,667) |
| On expenditure deferred in the books but allowable for tax purposes (reversal of Previous Year) | (463,924) | 1,324,858 |
| Tax effect of items constituting deferred tax liability | 81,500,180 | 76,925,104 |
| Opening Balance | 103,315,405 | 33,876,610 |
| Provision for compensated absences, gratuity and other employee benefits | (266,341) | (266,678) |
| Disallowances under Section 43B of the Income Tax Act, 1961 | 305,854,400 | 69,705,473 |
| Tax effect of items constituting deferred tax assets | 408,903,464 | 103,315,405 |
| Net deferred tax Assets/ (Liability) | 327,403,284 | 26,390,301 |

**Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate:**

| Particulars | As At March 31, 2021 | As At March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| Profit/(Loss) before income tax expense | (1,022,759,524) | (213,355,230) |
| Tax effects of amounts which are not deductible (taxable) in calculating taxable income | - | - |
| Recognition of deferred tax (income)/expenses on account of following: | | |
| Property, plant and equipment | 5,039,000 | (2,526,989) |
| Employee benefit and others | (306,051,983) | (68,380,615) |
| Income Tax Expenses | (301,012,983) | (70,907,604) |

## Notes to Financial Statements for the year ended March 31, 2021

**Note :- 9 Inventories**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| (a) Raw Materials | | |
| Copper wire & Strips | 19,303,065 | 7,648,848 |
| Transformer oil | 5,075,603 | 22,649,123 |
| Lamination | 1,964,250 | 10,565,262 |
| Others | 187,183,386 | 298,161,048 |
| | **213,526,304** | **339,024,281** |
| (b) Work-in-progress | 716,958,833 | 944,253,658 |
| (c) Finished goods | 257,442,091 | 372,422,174 |
| **Total** | **1,187,927,228** | **1,655,700,113** |

(The above inventories are hypothecated as securities to the bankers/NBFC agaist fund based and non fund base limits availed by the Company.)

**Note :- 10 Trade Receivables (Unsecured) (Net of Advance)**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| Unsecured Considered Good | | |
| Over Six months | 723,378,240 | 321,101,866 |
| Others | 193,672,127 | 614,657,881 |
| **Total** | **917,050,367** | **935,759,747** |

**Note :- 11 Cash and Cash Equivalents**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| (i) Cash on hand | 984,035 | 1,434,662 |
| (ii) Balances with banks | | |
| (i) In current accounts | 7,563,461 | 599,424 |
| Cash and Cash Equivalents as per statement of Cash Flow | 8,547,495 | 2,034,086 |

**Note :- 12 Bank Balance other than Cash and Cash Equivalent**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| - Unpaid dividend accounts | 187,471 | 184,391 |
| - Balances held as margin money or security against borrowings, guarantees and other commitments (Lien with Bank) | 170,176,864 | 244,414,627 |
| **Total** | **170,364,335** | **244,599,018** |

## Notes to Financial Statements for the year ended March 31, 2021

**Note :- 13 Loans**

| Particulars | As at March 31, 2021 ₹ | As at March 31, 2020 ₹ |
|---|---|---|
| Current | | |
| Unsecured, considered good | | |
| Loan and Advances to others | 152,426,255 | 2,747,047 |
| **Total** | **152,426,255** | **2,747,047** |

**Note :- 14 Other Current Assets**

| Particulars | As at March 31, 2021 ₹ | As at March 31, 2020 ₹ |
|---|---|---|
| Unsecured, considered good | | |
| (a) Rent Receivable (Refer note (i) below) | 6,486,880 | 6,486,880 |
| (b) Earnest Money Deposit,Margin money and other deposit | 11,167,213 | 27,860,224 |
| (c) Prepaid expenses | 83,768,228 | 54,280,474 |
| (d) Advance Licence (Refer Note (ii) below) | 14,830,477 | 30,743,661 |
| (e) Interest accrued / receivable | 64,577,890 | 65,332,551 |
| (f) Balances with government authorities taxes | 17,529,212 | 4,081,934 |
| **Total** | **198,359,901** | **188,785,723** |

i) The amount represents rent receivable from a party against whom the Company has filed a case and is hopeful of recovering the entire amount and hence not provided in the books of account.

ii) The Company has undertaken export & deemed exports of its products, by using indigenous raw materials. Against such exports the Company has received Quantity/value Based Advance Licenses entitling the company to import certain raw materials at Nil Custom duty. The Utilized portion of these licenses amounting to Rs. 148.3 Lacs (Rs. 307.44 Lacs) has been valued as prevailing Customs Duty rates 31st March,2021 and taken credit in the books of account in accordance with the matching principle of accountancy.

**Note :- 15 (a) Equity Share Capital**

| Particulars | As At March 31, 2021 Number of Shares | As At March 31, 2021 Amount in ₹ | As At March 31, 2020 Number of Shares | As At March 31, 2020 Amount in ₹ |
|---|---|---|---|---|
| **(a) Authorised** | | | | |
| Equity Shares of Rs.10/- each with voting rights | 27,670,000 | 276,700,000 | 27,670,000 | 276,700,000 |
| Preference shares of Rs.10/- each | 6,330,000 | 63,300,000 | 6,330,000 | 63,300,000 |
| | 34,000,000 | 340,000,000 | 34,000,000 | 340,000,000 |
| **(b) Issued** | | | | |
| Equity Shares of Rs.10/- each with voting rights | 8,640,963 | 86,409,630 | 8,640,963 | 86,409,630 |
| | 8,640,963 | 86,409,630 | 8,640,963 | 86,409,630 |
| **(c) Subscribed and fully paid up** | | | | |
| Equity Shares of Rs.10/- each with voting rights | 8,636,563 | 86,365,630 | 8,636,563 | 86,365,630 |
| Add:- Shares Forfeited | | 22,000 | | 22,000 |
| | 8,636,563 | 86,387,630 | 8,636,563 | 86,387,630 |
| **Total** | **8,636,563** | **86,387,630** | **8,636,563** | **86,387,630** |

Note:-

The Company has only one class of equity shares having face value of Rs.10 per share. Each holder of equity share is entitled to one vote per equity share.Dividend if recommended by the Board of Directors subject to the approval of the members at the ensuing Annual General Meeting except interim dividend. The Board of Directors have a right to deduct from the dividend payable to any member, any sum due from him to the Company.

In the event of winding-up, the holders of equity shall be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proporation to the number of equity share held by shareholders. The share holders have all other rights as available to equity shareholders as per the provision of the Companies Act, applicable in India read together with the Memorandam and Articles of Association of the company as applicable.

## Notes to Financial Statements for the year ended March 31, 2021

(i) Details of shares held by each shareholder holding more than 5% shares:

| Class of shares / Name of shareholder | As At March 31, 2021 | | As At March 31, 2020 | |
|---|---|---|---|---|
| | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| Equity shares with voting rights | | | | |
| Advance Transformer & Equipment Private Limited | 936,939 | 10.84 | 936,939 | 10.84 |
| Shree Rasbihari Trading and Investment Private Limited | - | - | 797,773 | 9.23 |
| Shree Kishoriju Trading & Investment Private Limited | 587,552 | 6.80 | 587,552 | 6.80 |
| Canbank Factors Limited | 1,396,369 | 16.17 | - | - |
| Vistra Itcl India Limited | 501,390 | 5.81 | 501,390 | 5.81 |

**Note 15 (b): Money Received agaisnt Share Warrants**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| Money Received agaisnt share warrants | - | 15,812,500 |
| **Total** | **-** | **15,812,500** |

**Note:-**

The Company has allotted during F.Y. 2018-19, 5,50,000 Convertible Warrants (1, 50,000 to Advance Transformers & Equipments Private Limited and 4, 00,000 to Shree Kishoriju Trading & Investments Private Limited) at Rs. 115/- per warrant pursuant to the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2019. The warrants were issued and allotted at Rs. 115/- per warrant, convertible into 1 equity share of Rs. 10/- each at a premium of Rs. 105/- per equity share. The warrants were convertible into equity shares within a period of 18 months from the date of allotment of warrants i.e. on or before 25th May, 2020.

In this regard, ATEPL and SKTPIPL has informed the Company about their inability to exercise their right of conversion of said Convertible Warrants into the Equity Shares of the Company on or before May 25, 2020, inter alia, due to the prevalent unprecedented health and economic crisis caused due to Covid-19 pandemic and the resultant liquidity and other limiting factors prevalent in the country and globally. In the stated background, as the period of 18 (eighteen) months for exercising the right of conversion expired on May 25, 2020, in absence of any relaxations / relief already announced, the management has taken a note of the same and in accordance with the provisions of SEBI ICDR Regulations, the Upfront Warrant Subscription Amount of Rs. 1,58,12,500/- paid by the ATEPL and SKTIPL at the time of subscription of Convertible Warrants equivalent to 25% of the total Warrant Subscription Amount is treated as forfeited.

**Note :- 16 Other Equity**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| **(a) Capital Reserve** | 7,445,000 | 7,445,000 |
| Add:- Share Warrants forfeited | 15,812,500 | - |
| | 23,257,500 | 7,445,000 |
| (b) Shares Capital Redemption Reserve | 57,762,140 | 57,762,140 |
| (c) Securities Premium Account | 513,577,741 | 513,577,741 |
| (d) General Reserve | 133,518,064 | 133,518,064 |
| (e) Retained Earning | | |
| Opening Balance as per last Audited financial Statement | 184,072,348 | 327,312,227 |
| Add: Loss for the year | (721,746,542) | (142,447,626) |
| (f) Other Comprehensive Income/ (Expenses) | | |
| Re-measurement gains/Losses on defined benefit plans (net of tax) | 800,902 | (792,253) |
| | **(536,873,292)** | **184,072,348** |
| **Total** | **191,242,152** | **896,375,292** |

## Notes to Financial Statements for the year ended March 31, 2021

**Note :- 17 Borrowings**

| Particulars | As At | |
|---|---|---|
| | **March 31, 2021** | March 31, 2020 |
| | ₹ | ₹ |
| **Non-Current** | | |
| Secured at amoritsed cost | | |
| (a) Term loan from Banks | | |
| (i) State Bank of India | - | 17,801,435 |
| (ii) Covid-19 Term Loan From | | - |
| Indian Bank | 7,000,000 | |
| Bank of India | 4,568,750 | |
| | **11,568,750** | **17,801,435** |
| (b) Other loans and advances (Vehicle Loan) | | |
| HDFC Bank Limited | - | 66,149 |
| ICICI Bank Limited | 1,406,014 | 2,360,510 |
| | 1,406,014 | 2,426,659 |
| **Total Borrowings** | **12,974,764** | **20,228,094** |

**Note 17 a : Long-term borrowings (contd.)**

(i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

| Particulars | As at 31st March 2021 | | As at 31st March 2020 | | Terms of Repayment |
|---|---|---|---|---|---|
| | **Current (***)** | **Non-Current** | Current | Non-Current | |
| | ₹ | ₹ | ₹ | ₹ | |
| I Term loans from banks: | | | | | |
| State Bank of India | 38,245,541 | - | 28,134,000 | 17,801,435 | Quartely installments |
| | **38,245,541** | **-** | **28,134,000** | **17,801,435** | |
| Funded Interest Term Loan | | | | | |
| Axis Bank Limited | 1,406,161 | - | - | - | Monthly installments |
| Bank of India | 16,179,113 | - | - | - | Monthly installments |
| IDBI Bank Limited | 12,123,549 | - | - | - | Monthly installments |
| Karnataka Bank Limited | 6,934,256 | - | - | - | Monthly installments |
| State Bank of India | 31,170,813 | - | - | - | Monthly installments |
| | 67,813,892 | - | - | - | |
| Covid-19 Term Loan | | | | | |
| Indian Bank | 8,000,000 | 7,000,000 | - | - | Monthly installments |
| Bank of India | 16,656,284 | 4,568,750 | - | - | Monthly installments |
| State Bank of India | 31,405,364 | - | - | - | Monthly installments |
| | 56,061,648 | 11,568,750 | - | - | |
| **Total - Term Loan** | 162,121,081 | 11,568,750 | 28,134,000 | 17,801,435 | |
| Other loans and advances: | | | | | |
| HDFC Bank Limited | 193,344 | - | 1,891,808 | 66,149 | Monthly installments |
| ICICI Bank Limited | 1,473,880 | 1,406,014 | 2,169,551 | 2,360,510 | Monthly installments |
| **Total - Other loans and advances** | **1,667,224** | **1,406,014** | **4,061,359** | **2,426,659** | |

## Notes to Financial Statements for the year ended March 31, 2021

| Particulars | As at 31st March 2021 | | As at 31st March 2020 | | Terms of Repayment |
|---|---|---|---|---|---|
| | Current (***) | Non-Current | Current | Non-Current | |
| | ₹ | ₹ | ₹ | ₹ | |
| **II Funded Interest Term Loan** | | | | | |
| STCI Finance Limited | 8,016,635 | 5,265,428 | | | Monthly installments |
| Corporate Loan | | | | | |
| Adisun Investments Private Limited | - | 8,500,000 | - | 8,500,000 | On demand |
| STCI Finance Limited (Refer Note (a) below) | 74,040,000 | 162,565,904 | 37,020,000 | 182,522,147 | Quartely installments |
| Volition Credit Holding Private Limited (Refer Note (b) below) | 6,649,471 | - | 8,020,623 | 419,748 | Monthly installments |
| Brij Systems Limited | - | - | 15,000,000 | - | Monthly installments |
| Pro Fin Capital Services Limited (Loan) | 20,000,000 | - | - | - | On demand |
| IVL Finance Limited | - | - | 1,055,669 | - | Monthly installments |
| **Total - Corporate Loan** | **108,706,106** | **176,331,332** | **61,096,292** | **191,441,895** | |
| Loans & advances from related parties | | | | | |
| Loan Related Parties | 101,779,731 | - | 100,053,391 | - | On demand |
| Total | 374,274,142 | 189,306,096 | 193,345,042 | 211,669,989 | |

Note:-

(a) Secured by first pari-pasu charge on entire fixed assets of company both present & future along with STCI Finance Limited.

(b) Secured by pledge of equity shares of Promoter Group Company and Personal Guarantee of Managing Director.

**Note :- 18 Other Financial Liabilities**

| Particulars | As at | |
|---|---|---|
| | **March 31, 2021** | March 31, 2020 |
| | ₹ | ₹ |
| Loans & advances from Body Corporate | | |
| Secured | 167,831,332 | 182,522,147 |
| Unsecured | 8,500,000 | 8,919,748 |
| **Total** | **176,331,332** | **191,441,895** |

Notes

i) Term loan from Banks and Non Banking Financial Institution are secured by way of first charge on all Fixed Assets of the Company both present & future on pari-passu basis with member banks of consortium and Second charge on all Current Assets of the company both present & future on pari-passu basis with member banks of consortium and personal guarantee of promoter Directors shri Ajay R Dhoot and Aditya R Dhoot.

ii) Vehicle Loans are secured by hypothecation of vehicles.

iii) The Company has defaulted in the repayment STCI Finance Limited (Term Loan). The Amount of total Overdue outstanding as at March 31, 2021 is 5.55 Cr towards Principle and Rs.0.32 Cr Towards Interest.

iv) The Company has defaulted in the repayment State bank of India (Term Loan). The Amount of total Overdue outstanding as at March 31, 2021 is 1.79 Cr towards Principle and Rs.0.04 Cr Towards Interest.

## Notes to Financial Statements for the year ended March 31, 2021

**Note :- 19 Provisions**

| Particulars | As at March 31, 2021 ₹ | As at March 31, 2020 ₹ |
|---|---|---|
| **Non- Current** | | |
| Provision for employee benefits: | | |
| (i) Provision for compensated absences | 3,216,369 | 4,061,013 |
| (ii) Provision for Gratuity | 5,426,699 | 4,046,460 |
| Total | 8,643,068 | 8,107,473 |

**Defined Benefits Plans :**

a. Contribution to Gratuity Fund -

The Company regularly contributes to the gratuity fund called the " Industrial Meters Private Limited Gratuity Fund" framed under the Payment of Gratuity Act, 1972, which is a defined benefit plan.

**Changes in Defined Benefit Obligation :**

| Particulars | As at March 31, 2021 ₹ | As at March 31, 2020 ₹ |
|---|---|---|
| Present Value of Benefit Obligation at the Beginning of the Period | 15,151,914 | 13,402,893 |
| Interest Cost | 1,036,391 | 1,041,405 |
| Current Service Cost | 1,269,121 | 983,223 |
| Past Service Cost- Vested Benefit | - | - |
| Benefit Paid From the Fund | (1,047,354) | (1,648,925) |
| Actuarial (Gain)/Loss on obligations - Due to change in Financial Assumption | 43,076 | 1,047,919 |
| Actuarial (Gain)/Loss on obligations due to Experience | (690,317) | 325,399 |
| **Present Value of Benefit Obligation at the End of the Period** | **15,762,831** | 15,151,914 |

**Changes in the Fair value of Plan Assets for Gratuity ( Funded Scheme) :**

| Particulars | As at March 31, 2021 ₹ | As at March 31, 2020 ₹ |
|---|---|---|
| Fair Value of Plan Assets at the Beginning of the Period | 8,087,054 | 8,494,863 |
| Expected Return on Plan Assets | 553,154 | 660,051 |
| Contributions by the Employer | - | - |
| Benefit Paid from fund | (1,047,354) | (1,648,925) |
| Actuarial gain/ (loss) on Plan Assets | - | - |
| Fair Value of Plan Assets at the end of the year | - | - |
| Total Actuarial gain/( loss) To Be Recognized | 153,661 | 581,065 |
| **Fair Value of Plan Assets at the End of the Period** | **7,746,515** | **8,087,054** |

**Amount recognized in the Balance Sheet:**

| Particulars | As at March 31, 2021 ₹ | As at March 31, 2020 ₹ |
|---|---|---|
| Present Value of Benefit Obligation at the end of the period | (15,762,831) | (15,151,914) |
| Fair Value of Plan Assets at the end of the period | 7,746,515 | 8,087,054 |
| Funded Status (Surplus/( Deficit)) | (8,016,316) | (7,064,860) |
| **Net (Liability)/Assets Recognized in the Balance Sheet** | **(8,016,316)** | **(7,064,860)** |

## Notes to Financial Statements for the year ended March 31, 2021

**Net Interest Cost for Current Period**

| Particulars | As at | |
|---|---|---|
| | **March 31, 2021** | March 31, 2020 |
| | ₹ | ₹ |
| Present Value of Benefit Obligation at the Beginning of the Period | 15,151,914 | 13,402,893 |
| Fair Value of Plan Assets at the Beginning of the Period | (8,087,054) | (8,494,863) |
| Net Liability/ (Assts) at the Beginning | 7,064,860 | 4,908,030 |
| Interest Cost | 1,036,391 | 1,041,405 |
| Interest Income | (553,154) | (660,051) |
| **Net Interest Cost for Current Period** | 483,237 | 381,354 |

**Expenses recognized in the Profit & Loss Account:**

| Particulars | As at | |
|---|---|---|
| | **March 31, 2021** | March 31, 2020 |
| | ₹ | ₹ |
| Current Service Cost | 1,269,121 | 983,223 |
| Interest Cost | 483,237 | 381,354 |
| Expected Return on Plan Assets | - | - |
| Actuarial Gain or Loss | - | - |
| Past Service Cost- Vested Benefit | | |
| **Expense Recognized in P & L** | **1,752,358** | **1,364,577** |

**Actuarial Assumptions:**

| Particulars | As at | |
|---|---|---|
| | **March 31, 2021** | March 31, 2020 |
| Discount Rate current | 6.80% | 6.84% |
| Rate of Return on Plan Assets Current | 6.80% | 6.84% |
| Salary Escalation Current | 5.00% | 5.00% |
| Attrition Rate Current Year | 2.00% | 2.00% |

**Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period**

| Particulars | As at | |
|---|---|---|
| | **March 31, 2021** | March 31, 2020 |
| | ₹ | ₹ |
| Actuarial (Gains)/Losses on Obligation For the Period | (647,241) | 1,373,318 |
| Return On Plan Assets, Excluding Interrest Income | (153,661) | (581,065) |
| Change ub Asset Ceiling | - | - |
| Net Income//Expense For the Period Recognized in OCI | (800,902) | 792,253 |

## Notes to Financial Statements for the year ended March 31, 2021

**Note :- 20 Borrowings**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| Current | | |
| Secured | | |
| Cash Credit Facilities (Repayable on demand) | 1,998,200,012 | 1,140,249,148 |
| Packing Credit Loan | - | 108,501,185 |
| | 1,998,200,012 | 1,248,750,333 |
| **Total** | **1,998,200,012** | **1,248,750,333** |

Notes:

(i) Details of Loans repayable and security for the secured short-term borrowings:

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| from banks: | | |
| Karnataka Bank Limited | 222,158,801 | 96,817,396 |
| Bank of India | 422,196,498 | 180,319,009 |
| State Bank of India | 731,625,302 | 404,390,473 |
| Indian Bank | 295,495,471 | 198,664,296 |
| IDBI Bank Limited | 211,823,118 | 102,677,145 |
| Axis Bank Limited | 114,900,821 | 157,380,829 |
| Packing Credit Loan State Bank of India | - | 1,185 |
| Packing Credit Loan Bank of India | - | 33,500,000 |
| Packing Credit Loan Karnatak Bank Limited | - | 75,000,000 |
| **Total - from banks** | **1,998,200,012** | **1,248,750,333** |

Note:-

Working Capital loan from Banks are secured against first charge on all current assets of the Company, present & future, on pari passu basis with banks in the consortium and Second charge on all Fixed Assets of the company, both present & future, on pari-passu basis with one member bank of consortium, and personal guarantee of promoter Directors Shri Ajay R Dhoot and Shri ADITYA R Dhoot.

**Note :- 21 Trade Payables**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| Dues to Micro and Small Enterprises | 12,699,473 | 16,036,298 |
| Other trade payables | 659,365,677 | 1,012,585,636 |
| **Total** | **672,065,150** | **1,028,621,934** |

## Notes to Financial Statements for the year ended March 31, 2021

**Note :- 22 Other Financial Liabilities**

| Particulars | As at | |
|---|---|---|
| | **March 31, 2021** | March 31, 2020 |
| | ₹ | ₹ |
| Current | | |
| (a) Current maturities of long-term debts | | |
| (i) Bank | | |
| Secured | 163,788,305 | 32,195,359 |
| (ii) Others | | |
| Secured | 82,056,635 | 37,020,000 |
| Unsecured | 128,429,202 | 124,129,683 |
| | 374,274,142 | 193,345,042 |
| (b) Unpaid dividends | 187,471 | 184,391 |
| **Total** | **374,461,613** | **193,529,433** |

Note: (i) Current maturities of long-term debt (Refer Notes (i) and (ii) in Note 17(a) - Long-term borrowings for details of security and guarantee.

(ii) For default refer Note No 20(ii) & 18(iii)

**Note :- 23 Other Current Liabilities**

| Particulars | As at | |
|---|---|---|
| | **March 31, 2021** | March 31, 2020 |
| | ₹ | ₹ |
| Other payables | 77,298,092 | 71,712,172 |
| Total | 77,298,092 | 71,712,172 |

**Note :- 24 Provisions**

| Particulars | As at | |
|---|---|---|
| | **March 31, 2021** | March 31, 2020 |
| | ₹ | ₹ |
| **Current** | | |
| Provision for employee benefits: | | |
| (i) Provision for bonus | 3,743,082 | 2,350,988 |
| (ii) Provision for compensated absences | 1,114,246 | 679,254 |
| (iii) Provision for Gratuity | 2,589,617 | 3,018,400 |
| **Total** | **7,446,945** | **6,048,642** |

**Note :- 25 Current Tax Liabilities (Net)**

| Particulars | As at | |
|---|---|---|
| | **March 31, 2021** | March 31, 2020 |
| | ₹ | ₹ |
| Provision for tax (Net of advance tax / TDS) | 19,881,878 | 24,478,502 |
| **Total** | **19,881,878** | **24,478,502** |

## Notes to Financial Statements for the year ended March 31, 2021

**Note :-26 Revenue from operations**

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| (a) Sale of Products | 938,692,761 | 2,634,163,648 |
| (b) Erection and Commissioning Services | 1,215,000 | 11,347,125 |
| **Total** | **939,907,761** | **2,645,510,773** |

**Note :-27 Other Income**

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| (a) Interest Income | 10,214,948 | 19,045,214 |
| (b) Profit on sale of assets | 211,781 | 2,191,654 |
| (C) Gain on foreign currency transactions (Net) | 2,272,933 | - |
| **Total** | **12,699,662** | **21,236,868** |

**Note :-28(a) Cost of materials consumed**

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| Raw Material | | |
| Opening stock | 339,024,281 | 247,585,232 |
| Add: Purchases | 611,222,680 | 2,488,540,266 |
| | 950,246,961 | 2,736,125,498 |
| Less: Closing stock | 213,526,304 | 339,024,281 |
| | **736,720,657** | **2,397,101,217** |
| Details of Raw Material consumed : | | |
| Copper wire & Strips | 280,797,876 | 831,675,060 |
| Transformer oil | 75,071,344 | 235,289,610 |
| Lamination | 132,413,029 | 632,070,193 |
| Others | 248,438,407 | 698,066,354 |
| **Total** | **736,720,657** | **2,397,101,217** |

Note :-28(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| Inventories at the end of the year: | | |
| Finished goods | 257,442,091 | 372,422,174 |
| Work-in-progress | 716,958,833 | 944,253,658 |
| | **974,400,924** | **1,316,675,832** |
| Inventories at the beginning of the year: | | |
| Finished goods | 372,422,174 | 376,931,011 |
| Work-in-progress (Refer Note:-42) | 733,318,014 | 679,701,367 |
| | **1,105,740,188** | **1,056,632,378** |
| Net (increase) / decrease | **131,339,264** | **(260,043,454)** |

**Note :- 29 Employee benefits expense**

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| Salaries and wages | 98,956,414 | 147,301,005 |
| Contributions to provident and other funds | 2,244,176 | 3,482,660 |
| Gratuity | 1,730,297 | 1,528,670 |
| Staff welfare expenses | 2,118,832 | 4,217,418 |
| **Total** | **105,049,719** | **156,529,753** |

## Notes to Financial Statements for the year ended March 31, 2021

**Note :- 30 Finance Costs**

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| (a) Interest expense on: | | |
| Borrowings | 335,180,619 | 250,575,200 |
| (b) Other borrowing costs | | |
| Bank Commission,Bank Guarantee & other Charges | 50,356,430 | 57,712,134 |
| **Total** | **385,537,049** | **308,287,334** |

**Note :- 31 Depreciation and Amoritisation Expenses**

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| (a) Depreciation on Property, Plant and Equipments | 67,236,443 | 64,508,874 |
| (b) Amoritisation of Intangible Assets | 256,165 | 292,282 |
| (c) Lease Assets Depreciation | 7,618,956 | 7,236,489 |
| | **75,111,565** | **72,037,645** |

**Note :- 32 Other expenses**

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| Power and fuel | 15,654,130 | 20,620,704 |
| Repairs and maintenance - Buildings | 285,261 | 1,112,969 |
| Repairs and maintenance - Others | 1,164,786 | 1,897,662 |
| Repairs and maintenance - Plant & Machinary | 93,800 | 1,201,730 |
| Rates and taxes | 1,763,986 | 3,118,642 |
| Travelling and conveyance | 13,543,412 | 22,274,735 |
| Freight and forwarding | 23,799,322 | 57,527,550 |
| Donations and contributions | - | 23,400 |
| Legal and professional | 15,420,486 | 19,263,798 |
| Payments to auditors (Refer Note (i) below) | 507,110 | 586,000 |
| Loss on foreign currency transactions (Net) | - | 1,754,469 |
| Loss on sale of assets | 3,559,552 | 133,047 |
| Testing Fees | 42,882,179 | 45,740,053 |
| Miscellaneous expenses | 20,580,560 | 30,935,617 |
| **Total** | **139,254,584** | **206,190,376** |

**Notes:**

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| (i) Payments to the auditors comprises (net of service tax input credit, where applicable): | | |
| As auditors - statutory audit | 425,000 | 425,000 |
| Certification Charges | 82,110 | 161,000 |
| **Total** | **507,110** | **586,000** |

**Note :- 33 Exceptional Items (Refer Note No-42)**

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| (a) Write-down of inventories to net realisable value | 210,935,644 | - |
| (b) Free replacement of material under Warranty scheme | 191,418,465 | - |
| **Total** | **402,354,109** | **-** |

## Notes to Financial Statements for the year ended March 31, 2021

**Note :-34 Additional information to the financial statements**

| Note | Particulars | As at March 31, 2021 ₹ | As at March 31, 2020 ₹ |
|---|---|---|---|
| 34.1 | Contingent liabilities and commitments (to the extent not provided for) | | |
| | Contingent liabilities | | |
| | (a) Claims against the Company not acknowledged as debt | 117,379,077 | 1,71,50,470 |
| | (b) Income Tax Matters | 62,413,824 | 4,01,84,648 |
| | (c) Performance ,Counter & Advance Guarantees EMD | 1,066,944,270 | 1,41,90,60,732 |
| | (d) Corporate guarantees given to the Banks on behalf of related Party - IMP Energy Limited.* | 220,000,000 | 220,000,000 |

* Sanctioned Limits as only Rs.2 Cr

**34.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

| Particulars | As at March 31, 2021 ₹ | As at March 31, 2020 ₹ |
|---|---|---|
| (i) Principal amount remaining unpaid to any supplier as at the end of the accounting year | 12,699,473 | 16,036,298 |
| (ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | Nil | Nil |
| (iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day | Nil | Nil |
| (iv) The amount of interest due and payable for the year | | |
| (v) The amount of interest accrued and remaining unpaid at the end of the accounting year | Nil | Nil |
| (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | Nil | Nil |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**34.3 Value of imports calculated on CIF basis @:**

| Particulars | As at March 31, 2021 ₹ | As at March 31, 2020 ₹ |
|---|---|---|
| Raw materials including Spares | 70,875,220 | 125,027,260 |

34.4 Details of consumption of imported and indigenous items *

| Particulars | As at March 31, 2021 ₹ | As at March 31, 2020 ₹ |
|---|---|---|
| Imported | | |
| Raw materials | 70,875,220 | 9.62 |
| | (125,027,260) | (5.41) |
| Note: Figures / percentages in brackets relates to the previous year | | |
| Indigenous | As at March 31, 2021 | |
| | ₹ | % |
| Raw materials | 665,845,437 | 90.38 |
| | (3,096,583,992) | (94.59) |

## Notes to Financial Statements for the year ended March 31, 2021

**35.a Details of related parties:**

| Description of relationship | Names of related parties |
|---|---|
| Subsidiary | IMP Energy Limited |
| Companies in which Directors are interested | Raga Organics Private Limited |
| | Advance Transformers & Equipments Private Limited |
| | Shree Kishoriju Trading & Investment Private Limited |
| | Shree Rasbihari Electricals Private Limited |
| | Universal Transformers Private Limited |
| | Shree Rasbihari Trading and Investment Private Limited |
| | Raj Exports Private Limited |
| | Mangalam Laboratories Private Limited |
| | Shri J B Pharma LLP |
| | Mangalam Drugs & Organics Limited |
| Significant influence over the entiry | Industrial Meters Gratuity Fund |
| Director & its Relatives | Chairman : Shri Ramniwas R Dhoot (Resigned w.e.f. 15/03/2021) |
| | Vice Chairman : Shri Ajay R Dhoot |
| | Managing Director : Shri Aditya R Dhoot |
| | Priyanjali Malpani (Daughter of Shri Aditya Dhoot) |
| | Mrs. Smita A Dhoot (wife of Shri Aditya. R. Dhoot), |
| | Mrs. Radhika A Dhoot (wife of Shri Ajay R. Dhoot), |
| | Independent Director : Shri Ramdas T Rajguroo |
| Key Management Personnel (KMP) | Mr. Bakul K Desai (CFO) (Resigned w.e.f. 30/07/2020 ) |
| | Mr. Shantilal Surana (CFO) ( w.e.f. 29/01/2021 ) |
| | Mr. Vibhav Ranade(Company Secretary) Resigned (w.e.f. 19/11/2020) |
| | Mrs. Anita Jaiswal (Company Secretary) (w.e.f. 03/06/2021) |
| | Mrs. Kanchan Surana (wife of Shantilal Surana) |
| Relative of KMP | Mrs. Beena Desai (Wife of Shri Bakul K Desai) |
| | Mr. Hitul Desai (Son of Shri Bakul Desai) |
| | Mr Siddrath Desai (Son of Shri Bakul Desai) |

Note: Related parties have been identified by the Management.

**35.b Details of related party transactions during the Year ended 31st March, 2021 and balances outstanding As at 31st March, 2021**

| | Subsidiaries | Associates | KMP | Relatives of KMP | Entities in which KMP / relatives of KMP have significant influence | Total |
|---|---|---|---|---|---|---|
| **Related party transactions** | | | | | | |
| Purchase of goods | | | | | | |
| IMP Energy Limited | 11,644,398 | - | - | - | - | 11,644,398 |
| | **(103,567,634)** | **-** | **-** | **-** | **-** | **(103,567,634)** |
| **Sale of Goods & Services** | | | | | | |
| Mangalam Drugs & Organics Limited | - | - | - | - | 47,812,711 | 47,812,711 |
| | **-** | **-** | **-** | **-** | **(NIL)** | **(NIL)** |
| **Sale of Cars** | | | | | | |
| Shri Ajay R Dhoot | - | - | 750,000 | - | - | 750,000 |
| | - | - | (Nil) | - | - | (Nil) |
| Shri Aditya R Dhoot | - | - | 425,000 | - | - | 425,000 |
| | - | - | (Nil) | - | - | (Nil) |
| Mrs Priyanjali Malpani (Resigned w.e.f. 11/06/2019) | - | - | - | 1,625,000 | - | 1,625,000 |
| | **-** | **-** | **-** | **(Nil)** | **-** | **(Nil)** |

## Notes to Financial Statements for the year ended March 31, 2021

| | Subsidiaries | Associates | KMP | Relatives of KMP | Entities in which KMP / relatives of KMP have significant influence | Total |
|---|---|---|---|---|---|---|
| **Remuneration** | | | | | | |
| Shri Ramniwas R Dhoot | - | - | NIL | - | - | NIL |
| | - | - | (4,588,886) | - | - | (4,588,886) |
| Shri Ajay R Dhoot | - | - | 3,881,250 | - | - | 3,881,250 |
| | - | - | (6,900,000) | - | - | (6,900,000) |
| Shri Aditya R Dhoot | - | - | 3,881,250 | - | - | 3,881,250 |
| | - | - | (6,900,000) | - | - | (6,900,000) |
| Mrs Priyanjali Malpani (Resigned w.e.f. 11/06/2019) | - | - | - | 280,000 | - | 280,000 |
| | - | - | - | (600,000) | - | (600,000) |
| Mr Bakul K Desai (Chief Financial Officer) (Resigned w.e.f. 30/07/2020) | - | - | 390,786 | - | - | 390,786 |
| | - | - | (1,648,716) | - | - | (1,648,716) |
| Mr. Shantilal Surana (Chief Financial Officer) (w.e.f. 29/01/2021) | - | - | 203,387 | - | - | 203,387 |
| | | | (NIL) | - | - | (NIL) |
| Mrs. Kanchan Shantilal Surana | - | - | - | 83,871 | - | 83,871 |
| | - | - | - | (NIL) | - | (NIL) |
| Mr. Vibhav Ranade (Company Secretary) (Resigned w.e.f. 19/11/2020) | - | - | 258,590 | - | - | 258,590 |
| | - | - | (681,502) | - | - | (681,502) |
| **Directors Sitting Fees** | | | | | | |
| Shri Ramdas T Rajguroo | | | 32,500 | | | 32,500 |
| | | | (39,850) | | | (39,850) |
| Mr.Prashant Pandit | | | 32,500 | | | 32,500 |
| | | | (NIL) | | | - |
| Mr.Praveen Saxena | | | 31,000 | | | 31,000 |
| | | | (13,000) | | | (13,000) |
| Ms.Dipali Pitale (Resigned w e f 21/02/2021) | | | 5,000 | | | 5,000 |
| | | | (15,000) | | | (15,000) |
| Consultancy Fees | | | | | | |
| Shri Ramdas T Rajguroo | - | - | 98,500 | - | - | 98,500 |
| | - | - | (100,000) | - | - | (100,000) |
| Mrs. Beena Desai | - | - | - | NIL | - | NIL |
| | - | - | - | (900,900) | - | (900,900) |
| Mr. Hitul Desai | - | - | - | NIL | - | NIL |
| | - | - | - | (984,780) | - | (984,780) |
| Mr. Siddharth Desai | - | - | - | NIL | - | NIL |
| | - | - | - | (324,000) | - | (324,000) |
| Leasing or hire purchase arrangements | | | | | | |
| Shri Ajay R Dhoot | - | - | 462,000 | - | - | 462,000 |
| | - | - | (432,086) | - | - | (432,086) |
| Shri Aditya R Dhoot | - | - | 462,000 | - | - | 462,000 |
| | - | - | (432,086) | - | - | (432,086) |
| Interest (**) | | | | | | |
| Ramniwas R Dhoot | - | - | NIL | - | - | NIL |
| | - | - | (1,220,067) | - | | (1,220,067) |
| Shri Ajay R Dhoot | - | - | NIL | - | - | NIL |

## Notes to Financial Statements for the year ended March 31, 2021

| | Subsidiaries | Associates | KMP | Relatives of KMP | Entities in which KMP / relatives of KMP have significant influence | Total |
|---|---|---|---|---|---|---|
| | - | - | (30,400) | - | - | (30,400) |
| Shri Aditya R Dhoot | - | - | NIL | - | - | NIL |
| | - | - | (842,186) | - | - | (842,186) |
| Mrs Priyanjali Malpani ((Resigned w.e.f. 11/06/2019)) | - | - | - | NIL | - | NIL |
| | - | | - | (502,599) | - | (502,599) |
| Mrs Smita A Dhoot | - | - | - | NIL | - | NIL |
| | - | - | - | (371,894) | - | (371,894) |
| Shree Kishoriju Trading & Investments Private Limited | - | - | - | - | NIL | NIL |
| | - | - | - | - | (601,027) | (601,027) |
| Significant influence over the entiry | | | | | | |
| Industrial Meters Gratuity Fund | - | - | - | - | 1,730,297 | 1,730,297 |
| | - | - | - | - | (1,364,577) | (1,364,577) |
| Warrant Application Money | | | | | | |
| Advance Transformers & Equiments Private Limited | - | - | - | - | NIL | NIL |
| | - | - | - | - | (11,500,000) | (11,500,000) |
| Shree Kishoriju Trading & Investments Private Limited | - | - | - | - | NIL | NIL |
| | - | - | - | - | (4,312,500) | (4,312,500) |
| Advance towards sales of goods | | | | | | |
| Mangalam Drugs & Organics Limited (Net) | - | - | - | - | NIL | NIL |
| | - | - | - | - | (54,000,000) | (54,000,000) |
| Balances outstanding at the end of the year | | | | | | |
| Loans and advances | - | - | 33,585,424 | 4,571,935.00 | 63,622,372 | 101,779,731 |
| | - | - | (24,398,650) | (6,872,900) | (68,781,841) | (100,053,391) |
| Advance for Expenses | | | | | 40,375,745 | 40,375,745 |
| | | | | | (38,424,975) | (38,424,975) |
| Retirement benefits payable | - | - | - | - | 8,016,316 | 8,016,316 |
| | - | - | - | - | (7,064,860) | (7,064,860) |
| Trade payables | 21,404,153 | - | - | - | - | 21,404,153 |
| | (24,482,479) | - | - | - | - | (24,482,479) |

Note: Figures in bracket pertains to the previous year

(**) Interest waived off during the Years

**Note 36: Disclosures under Indian Accounting Standard (Ind- As)-33 : Earnings Per Share"**

| Note | Particulars | As At March 31, 2021 | As At March 31, 2020 |
|---|---|---|---|
| | | ₹ | ₹ |
| **36** | **Earnings per share** | | |
| | Weighted average number of equity shares outstanding | 8,636,563 | 8,636,563 |
| | Adjustment for Shares to be issued on convertation of Convertibe wrrant into equity | - | 550,000 |
| | Adjusted Weightd avarage numbr of Shares | 8,636,563 | 9,186,563 |
| 36.a | Profit (Loss) after taxation as per Profit & Loss account attributable to Equity Shareholders | | |
| | after adjusting dividend on preference shares before extraordinary items | (721,746,542) | (142,447,626) |
| | Earning Per Share (Basic) Before / After Extra-Ordinary item | (83.57) | (16.49) |
| | Earning Per Share (Diluted) Before / After Extra-Ordinary item | (83.57) | (15.51) |
| | Nominal Value per share | 10.00 | 10.00 |

## Notes to Financial Statements for the year ended March 31, 2021

**Note 37 Financial Instruments**

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

| Particulars | Fair value through P&L | Fair value through OCI | At cost | Amortised cost | Total carrying and Fair value |
|---|---|---|---|---|---|
| Financial Assets | | | | | |
| Investment | - | - | - | 7,748,405 | 7,748,405 |
| Trade receivables | - | - | - | 917,050,367 | 917,050,367 |
| Cash and cash equivalents | - | - | - | 8,547,496 | 8,547,496 |
| Bank deposits other than Cash and cash equivalents | - | - | - | 170,364,335 | 170,364,335 |
| Loans | - | - | - | 152,426,255 | 152,426,255 |
| Other Financial Assets | | | | - | - |
| Total | - | - | - | 1,256,136,858 | 1,256,136,858 |
| | | | | | |
| Financial Liabilities | | | | | |
| Borrowings | - | - | - | 2,174,963,080 | 2,174,963,080 |
| Trade payables | - | - | - | 672,065,150 | 672,065,150 |
| Other Financial Liabilities | - | - | - | 387,004,640 | 387,004,640 |
| Total | - | - | - | 3,234,032,870 | 3,234,032,870 |

The carrying value of financial instruments by categories as of March 31, 2020 is as follows:

| Particulars | Fair value through P&L | Fair value through OCI | At cost | Amortised cost | Total carrying and Fair value |
|---|---|---|---|---|---|
| Financial Assets | | | | | |
| Investments | - | - | - | 7,748,405 | 7,748,405 |
| Trade receivables | - | - | - | 935,759,747 | 935,759,747 |
| Cash and cash equivalents | - | - | - | 2,034,086 | 2,034,086 |
| Bank balances other than Cash and cash equivalents | - | - | - | 244,599,018 | 244,599,018 |
| Loans | - | - | - | 2,747,047 | 2,747,047 |
| Other Financial Assets | - | - | - | - | - |
| **Total** | **-** | **-** | **-** | **1,192,888,303** | **1,192,888,303** |
| | | | | | |
| Financial Liabilities | | | | | |
| Borrowings | - | - | - | 1,301,173,786 | 1,301,173,786 |
| Trade payables | - | - | - | 1,028,621,934 | 1,028,621,934 |
| Other Financial Liabilities | - | - | - | 352,775,969 | 352,775,969 |
| **Total** | **-** | **-** | **-** | **2,682,571,689** | **2,682,571,689** |

**Fair value hierarchy**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV and listed equity instruments are being valued at the closing prices on recognised stock exchange.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) 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. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

## Notes to Financial Statements for the year ended March 31, 2021

**Note 38: Financial risk management objectives and policies**

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

The Company's financial risk management policy is set by the management. Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. The Company manages market risk which evaluates and exercises independent control over the entire process of market risk management. The management recommend risk management objectives and policies, which are approved by Senior Management and the Audit Committee.

**a. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk arises from cash held with banks as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. An impairment analysis is performed at each reporting date on an individual basis for major customers. The Company also hold security deposits for outstanding trade receivables. The history of trade receivables shows a negligible provision for bad and doubtful debts.

**b. Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

**Maturitiesof financial liabilities**

The tables below analyze the company's financial liabilities into relevant maturity groupings based on their contractual maturities:

| Contractual maturities of financial liabilities as at March 31, 2021 | Total Carrying Value | On due within 1 year | Over 1 year Within 3 years | Over 3 year Within 5 years |
|---|---|---|---|---|
| Borrowings | 2,174,963,080 | 2,161,988,317 | 11,568,750 | 1,406,014 |
| Trade Payables | 672,065,150 | 672,065,150 | - | - |
| Other Financial Liabilities | 387,004,640 | 210,485,837 | 176,518,803 | - |
| **Total** | **3,234,032,870** | **3,044,539,304** | **188,087,553** | **1,406,014** |

| Contractual maturities of financial liabilities as at March 31, 2020 | Total Carrying Value | On due within 1 year | Over 1 year Within 3 years | Over 3 year Within 5 years |
|---|---|---|---|---|
| Borrowings | 1,301,173,786 | 1,280,945,692 | 17,801,435 | 2,426,659 |
| Trade Payables | 1,028,621,934 | 1,028,621,934 | - | - |
| Other Financial Liabilities | 352,775,969 | 161,149,683 | 191,626,286 | - |
| **Total** | **2,682,571,689** | **2,470,717,309** | **209,427,721** | **2,426,659** |

## Notes to Financial Statements for the year ended March 31, 2021

**c. Market risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities.

**d. Foreign exchange risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Company's foreign exchange risk arises from its foreign currency borrowings (primarily in USD). As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues measured in Indian rupees may decrease.

The following table sets forth information relating to foreign currency exposure (other than risk arising from derivatives disclosed below):

| **Particulars** | **As at March 31, 2021** | | As at March 31, 2020 | |
|---|---|---|---|---|
| | **USD/Euro** | **INR** | USD/Euro | INR |
| Foreign Currency Exposures (USD) | 329,689 | 24,233,712 | 302,877 | 21,075,735 |
| Foreign Currency Exposures (Euro) | - | - | 543,634 | 45,013,169 |
| **Total** | | **24,233,712** | | **66,088,904** |

The above foreign currency exposures are not hedged by the derivative instruments.

The sensitivity of profit or loss due to changes in the exchange rates arises mainly from non-derivative foreign currency denominated financial instruments (mainly financial instruments denominated in USD). The same is summarized as below:

| **Particulars** | Impact on Profit | |
|---|---|---|
| | **As At March 31, 2021** | As at March 31,2020 |
| USD Sensitivity | | |
| INR / USD – Increase by 10% | (2,423,371) | (2,107,573) |
| INR / USD – Decrease by 10% | 2,423,371 | 2,107,573 |

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. However the company's exposure to foreign currency loan is of fixed interest rate.

The Company's investments in term deposits (i.e., margin money) with banks are for short durations, and therefore do not expose the Company to significant interest rates risk.

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

| **Particulars** | Impact on profit after tax | |
|---|---|---|
| | **As At March 31, 2021** | As at March 31,2020 |
| Interest rates – increase by 10% | 29,228,857 | (20,166,549) |
| Interest rates – decrease by 10% | (29,228,857) | 20,166,549 |

## Notes to Financial Statements for the year ended March 31, 2021

**Note 39: Capital Management:**

**Risk Management:**

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**Note 40 :** In previous year the Company had enter into an agreement to assign on February 21, 2020 for sale of its right title and interest in the property situated at Government Industrial Estate Charkop Kandivali (W), Mumbai -400 067 for consideration of Rs.16.02 Cr subject to compliance of term & condition at stated in the agreement.

**Note 41:** The Company has considered the possible effects that may result from the COVID-19 pandemic in the preparation of these financial results including the recoverability of the carrying value of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of COVID-19, the Company has, at the date of approval of these financial results, used internal and external sources of information and expects that the carrying value of the assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of the same.

**Note 42:** Exceptional Items includes

i. Written down of Inventories :The Company has written down the customised cost of Material of Rs.2109.36 lakhs in semi finished goods on account of cancellation of orders by the vendors, at net realisable value and which has been subsequently utilised in the manufacturing of other finished goods.

ii. Short provision of warranty:Company has supplied the free replacement of materials of Rs.1914.18 lakhs to its customers on account of repairs and maintenance of transformers sold during the previous years which has been short provided in the earlier years.

**Note 43:** The Company has approched its lenders for resolution of its credit facilities under suitable guidelines of Reserve Bank of India.

**Note 44 :** Trade Payable, receivables. Loans and advance balance are subject to conformation and reconcilation.

**Note 45 :** The Company is primarily engaged in the business of Electrical products like Power & Distribution Transformers, its parts and Hydro projects which together constitute a single segment accordance with in the Accounting Standard on "Segment Reporting (Ind AS 108)"

**Note 46:** Previous year's figures have been regrouped / reclassified wherever necessary to confirm with the current year's classification.

As per our report annexed
**For V.S. SOMANI AND Co.,**
*Chartered Accountants*
Firm Registration No.: 117589W

**CA Vidyadhar S Somani**
*Proprietor*
Membership No.: 102664

Place:- Mumbai
Date :- 30/06/2021

For and on behalf of the Board of Directors

**AJAY R DHOOT**
*Vice Chairman*
Din 00210424

**ADITYA R DHOOT**
*Managing Director*
Din 00057224

**SHANTILAL SURANA**
*Chief Financial officer*

**ANITA JAISWAL**
*Company Secretary*

# INDEPENDENT AUDITOR'S REPORT

**To the Members of IMP Powers Limited**

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of IMP Powers Limited ("hereinafter referred to as the Holding Company"), and its subsidiary (the Holding Company and its subsidiary referred together as "the Group") which comprise the consolidated Balance Sheet as at 31st March, 2021, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year ended, and a summary of the 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 consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2021, of its consolidated loss and other comprehensive income, its consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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.

**Emphasis of Matter**

1. We draw attention to Note 41 of the consolidated Ind AS financial statements, which states the impact of Coronavirus Disease-2019 (COVID-19) on the operations of the Company.
2. Balances of Trade Receivables, Trade Payables and Loans and advances are subject to confirmations and reconciliations.

Our opinion is not modified in respect of these matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements/ consolidated financial statements and other financial information of the subsidiary, were most significant in the audit of consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our consolidated audit report.

**Information other than the Consolidated Financial Statements and Auditor's Report thereon**

The holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Management's Responsibility for the Consolidated Financial Statements**

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, (changes in equity) and consolidated cash flows of

the group including its subsidiaries in accordance with the 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group's or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Group's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

1. 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.
2. 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

**Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, we report to the extent applicable. that:

1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
2. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
3. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
4. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
5. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
6. 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 I”.
7. 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:
    - The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, Refer Note 34.1 to the consolidated financial statements.
    - The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - An amount of Rs. 34,095 which was required to be transferred to the Investor Education and Protection Fund by the Holding Company which has not been transferred

**For V.S. SOMANI & CO.**
Chartered Accountants
Firm Registration Number: 117589W

**CA Vidyadhar Somani**
Proprietor
Membership No: 102664
UDIN NO. 21102664AAAAIW4838

Place: Mumbai
Date: 04/07/2021

**Annexure - I to the Auditors' Report on the Consolidated Financial Statements of IMP Powers Limited**

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls over financial reporting of IMP POWERS LIMITED ("the Holding Company") and its subsidiary Company which is incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's and Subsidiary'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) pertains 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 authorization of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company and its subsidiary Company, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021 based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For V.S. SOMANI & CO.**
Chartered Accountants
Firm Registration Number: 117589W

**CA Vidyadhar Somani**
Proprietor
Membership No: 102664
UDIN NO. 21102664AAAAIW4838

Place: Mumbai
Date: 04/07/2021

## Consolidated Balance Sheet as at 31st March 2021

| Particulars | Notes | As at March 31, 2021 ₹ | As at March 31, 2020 ₹ |
|---|---|---|---|
| **I ASSETS** | | | |
| **A Non- Current Assets** | | | |
| (a) Property , Plant and Equipment | 3(a) | 62,20,38,437 | 69,42,67,236 |
| (b) Intangible assets | 4 | 55,63,061 | 59,79,897 |
| (c) Goodwill | 4 | 23,75,776 | 23,75,776 |
| (d) Right-use of Assets | 5 | 88,27,609 | 1,64,46,565 |
| (e) Investments | 6 | 1,625 | 1,625 |
| (f) Other Non- Current Assets | 7 | 51,78,356 | 51,81,450 |
| (g) Deferred Tax Assets / (Liabilities) | 8 | 32,79,07,069 | 2,67,08,112 |
| **Total Non- Current Assets** | | **97,18,91,933** | **75,09,60,661** |
| **B Current Assets** | | | |
| Inventories | 9 | 1,24,41,55,121 | 1,73,31,40,963 |
| Financial Assets | | | |
| (i) Trade Receivables | 10 | 91,70,50,367 | 93,57,59,747 |
| (ii) Cash and Cash Equivalents | 11 | 85,50,547 | 20,45,206 |
| (iii) Bank Balance other than Cash and Cash Equivalent | 12 | 17,03,64,335 | 24,45,99,018 |
| (iv) Loans | 13 | 15,24,26,255 | 30,99,207 |
| Other Current assets | 14 | 19,86,81,333 | 18,90,99,235 |
| Assets held- for- sale | 3(b) | 28,059,644 | 2,80,59,644 |
| **Total Current Assets** | | **2,71,92,87,602** | **3,13,58,03,020** |
| **TOTAL ASSETS** | | **3,69,11,79,535** | **3,88,67,63,681** |
| **II A EQUITY AND LIABILITIES** | | | |
| **EQUITY** | | | |
| (i) Equity Share Capital | 15 (a) | 86,387,630 | 86,387,630 |
| (ii) Warrant Application Money | 15 (b) | - | 15,812,500 |
| (iii) Other Equity | 16 | 20,49,24,595 | 91,06,43,085 |
| (iv) Minority Interest | | 62,89,923 | 64,60,156 |
| **Total Equity** | | **29,76,02,148** | **1,01,93,03,371** |
| **LIABILITIES** | | | |
| **B Non-current liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 17 | 1,29,74,764 | 2,02,28,094 |
| (ii) Other Financial Liabilities | 18 | 17,63,31,332 | 19,14,41,895 |
| (b) Provisions | 19 | 86,43,068 | 81,07,473 |
| **Total Non-Current Liabilities** | | **19,79,49,164** | **21,97,77,462** |
| **C Current liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 20 | 2,01,90,80,056 | 1,26,78,59,431 |
| (ii) Lease Liabilities | 5 | 1,05,13,250 | 1,74,41,761 |
| (iii) Trade payables | | | |
| Total outstansing dues of Micro Enterprises & Small Enterprises | 21 | 1,26,99,473 | 1,60,36,297 |

## Consolidated Balance Sheet as at 31st March 2021

| Particulars | Notes | As at March 31, 2021 ₹ | As at March 31, 2020 ₹ |
|---|---|---|---|
| Total outstansing dues of Creditors other than Micro & Small Enterprises | 21 | 67,52,72,737 | 1,02,61,98,230 |
| (iv) Other Financial liabilities | 22 | 37,44,61,613 | 19,35,29,433 |
| (b) Other Current liabilities | 23 | 8,95,33,602 | 9,60,90,552 |
| (c) Provisions | 24 | 74,46,945 | 60,48,642 |
| (d) Current Tax Liabilities (Net) | 25 | 66,20,547 | 2,44,78,502 |
| **Total Current Liabilities** | | **3,19,56,28,223** | **2,64,76,82,848** |
| **Total Equity and Liabilities** | | **3,69,11,79,535** | **3,88,67,63,681** |

Significant accounting policies 2

The accompanying notes are an integral part of financial statements

For and on behalf of the Board of Directors

**As per our report annexed**
**For V.S. SOMANI AND Co.,**
Chartered Accountants
Firm Registration No.: 117589W

**CA Vidyadhar S Somani**
*Proprietor*
Membership No.: 102664

**AJAY R DHOOT**
*Vice Chairman*
Din 00210424

**ADITYA R DHOOT**
*Managing Director*
Din 00057224

Place:- Mumbai
Date:- 30.06.2021

**SHANTILAL SURANA**
*Chief Financial Officer*

**ANITA JAISWAL**
Company Secretary

## Consolidated Statement of Profit and Loss for the Year Ended 31st March 2021

| Particulars | | Note No. | 2020-21 ₹ | 2019-20 ₹ |
|---|---|---|---|---|
| I | **INCOME** | | | |
| | Revenue from operations | 26 | 95,62,30,608 | 2,64,55,10,773 |
| | Other income | 27 | 1,26,99,661 | 2,12,36,867 |
| | **Total Income** | | **96,89,30,269** | **2,66,67,47,640** |
| II | **Expenses** | | | |
| | (a) Cost of materials consumed | 28(a) | 72,84,84,950 | 2,39,65,81,860 |
| | (b) Changes in inventories of finished goods and work-in-progress | 28(b) | 15,25,52,221 | (26,33,63,004) |
| | (d) Employee benefits expense | 29 | 10,50,49,719 | 15,66,99,219 |
| | (e) Finance costs | 30 | 38,80,88,464 | 31,11,52,200 |
| | (f) Depreciation and amortisation expense | 31 | 7,58,26,646 | 7,27,52,706 |
| | (g) Other expenses | 32 | 14,02,68,141 | 20,71,57,378 |
| | **Total expenses** | | **1,59,02,70,141** | **2,88,09,80,359** |
| III | **Profit / (Loss) before Excetional item & tax (I - II)** | | (62,13,39,872) | (21,42,32,719) |
| IV | Exceptional items | 33 | (40,23,54,109) | - |
| V | **Profit / (Loss) before tax (III - IV)** | | **(1,02,36,93,981)** | **(21,42,32,719)** |
| VI | **Tax expense:** | 8 | | |
| | (a) Current tax expense for the year | | 7,100 | (9,06,000) |
| | (b) Deferred tax | | (30,11,98,956) | (7,09,24,604) |
| | | | **(30,11,91,856)** | **(7,18,30,604)** |
| VII | **Profit for the Year (V-VI)** | | **(72,25,02,125)** | **(14,24,02,115)** |
| VIII | **Other Comprehensive Income/Expenses** | | | |
| | **Other Comprehensive Income not reclassified into Profit & Loss in subsequent year** | | | |
| | Re-measurement gains/Losses on defined benefit plans | | 8,00,902 | (7,92,253) |
| IX | **Total Other Comprehensive Profit / (Loss)** | | **8,00,902** | **(7,92,253)** |
| X | Minority Interest | | (1,70,233) | 10,254 |
| XI | **Total Comprehensive Income for the year** | | **(72,15,30,990)** | **(14,32,04,622)** |
| XII | **Earnings per share (of ₹10/- each):** | | | |
| | (a) Basic | | (83.66) | (16.49) |
| | (b) Diluted | | (83.66) | (15.50) |
| | **Earnings per share (excluding extraordinary items) (of ₹10/- each):** | | | |
| | (a) Basic | | (83.66) | (16.49) |
| | (b) Diluted | | (83.66) | (15.50) |
| | Significant accounting policies | 2 | | |

The accompanying notes are an integral part of financial statements

For and on behalf of the Board of Directors

**As per our report annexed**
**For V.S. SOMANI AND Co.,**
Chartered Accountants
Firm Registration No.: 117589W

**CA Vidyadhar S Somani**
*Proprietor*
Membership No.: 102664

**AJAY R DHOOT**
*Vice Chairman*
Din 00210424

**ADITYA R DHOOT**
*Managing Director*
Din 00057224

Place:- Mumbai
Date:- 30.06.2021

**SHANTILAL SURANA**
*Chief Financial Officer*

**ANITA JAISWAL**
Company Secretary

## Consolidated Cash Flow Statement for the Year Ended 31st March 2021

| Particulars | | For the Year Ended 31st March 2021 | | For the Year ended 31st March, 2020 | |
|---|---|---|---|---|---|
| | | ₹ | ₹ | ₹ | ₹ |
| **A.** | **Cash flow from operating activities** | | | | |
| | **Profit before tax** | | (1,02,36,93,981) | | (21,42,32,718) |
| | **Adjustments to reconcile profit before tax to net cash flow** | | | | |
| | Depreciation and amortisation | 7,58,26,646 | | 7,27,52,706 | |
| | (Profit) / loss on sale / write off of assets | 33,47,745 | | (1,11,400) | |
| | Finance costs | 38,80,88,464 | | 31,11,52,200 | |
| | Remeasurement gain/loss on define benefit plans | (8,00,902) | | 7,92,253 | |
| | | | 46,80,63,757 | | 38,30,01,253 |
| | **Operating Profit / (loss) before working capital changes** | | (55,56,30,224) | | 16,87,68,535 |
| | ***Changes in working capital:*** | | | | |
| | **Adjustments for (increase) / decrease in operating assets:** | | | | |
| | Inventories | 48,89,85,842 | | (35,48,02,053) | |
| | Trade receivables | 1,87,09,380 | | 47,54,38,612 | |
| | Current financial loan & other current assets | (8,46,74,463) | | (8,26,72,094) | |
| | Non-current financial assets & other non-current assets | 3,094 | | 22,984 | |
| | **Adjustments for increase / (decrease) in operating liabilities:** | | | | |
| | Trade payables | (35,42,62,316) | | (16,27,01,627) | |
| | Other current financial liabilities | 18,09,32,180 | | 2,08,06,710 | |
| | Other current liabilities | (65,56,950) | | (4,23,08,000) | |
| | Provision and Current tax | (1,64,59,652) | | (50,19,694) | |
| | Non-current financial liabilities | (1,51,10,563) | | (2,67,90,814) | |
| | Provision | 5,35,595 | | 33,91,518 | |
| | | | 21,21,02,147 | | (17,46,34,458) |
| | | | (34,35,28,077) | | (58,65,923) |
| | Cash flow from extraordinary items | | - | | - |
| | Cash generated from operations | | (34,35,28,077) | | (58,65,923) |
| | Net income tax (paid) / refunds | | (7,100) | | 9,06,000 |
| | **Net cash flow from / (used in) operating activities (A)** | | **(34,35,35,177)** | | **(49,59,923)** |
| **B.** | **Cash flow from investing activities** | | | | |
| | Purchase of property, plant and equipment (including capital work in progress and capital advance)net off | (18,17,277) | | (18,80,080) | |
| | Advance towards sale of assets | - | | 52,00,000 | |
| | Proceeds from sale of fixed assets | 29,07,474 | | 6,31,780 | |
| | **Net cash flow from / (used in) investing activities (B)** | | **10,90,198** | | **39,51,700** |

## Consolidated Cash Flow Statement for the Year Ended 31st March 2021

| Particulars | | For the Year Ended 31st March 2021 | | For the Year ended 31st March, 2020 | |
|---|---|---|---|---|---|
| | | ₹ | ₹ | ₹ | ₹ |
| **C.** | **Cash flow from financing activities** | | | | |
| | Proceeds from long-term borrowings( Net) | (72,53,330) | | (2,46,95,041) | |
| | Proceeds from other short-term borrowings | 74,42,92,114 | | 33,60,36,480 | |
| | Finance cost | (38,80,88,464) | | (31,11,52,200) | |
| | **Net cash flow from / (used in) financing activities (C)** | | **34,89,50,320** | | **1,89,239** |
| | **Net increase / (decrease) in Cash and cash equivalents (A+B+C)** | | **65,05,341** | | **(8,18,984)** |
| | Cash and cash equivalents at the beginning of the year | | 20,45,206 | | 28,64,190 |
| | **Cash and cash equivalents at the end of the year** | | **85,50,547** | | **20,45,206** |

**Notes:**

1. Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Ind-AS 7
2. Previous Year's figures have been regrouped/reclassifed wherever applicable.

**See accompanying notes forming part of the financial statements**

Significant accounting policies

The accompanying notes are an integral part of financial statements

For and on behalf of the Board of Directors

**As per our report annexed**
**For V.S. SOMANI AND Co.,**
Chartered Accountants
Firm Registration No.: 117589W

**CA Vidyadhar S Somani**
*Proprietor*
Membership No.: 102664

**AJAY R DHOOT**
*Vice Chairman*
Din 00210424

**ADITYA R DHOOT**
*Managing Director*
Din 00057224

Place:- Mumbai
Date:- 30.06.2021

**SHANTILAL SURANA**
*Chief Financial Officer*

**ANITA JAISWAL**
Company Secretary

## Consolidated Statement of Changes in Equity For the year ended March 31, 2021

| Particulars | Equity Share Capital | Capital Reserve | Preference Shares Capital Redemption Reserve | Security Premium Account | General Resere | Warrant Application Money | Minority Interest | Retained earnings | Total Equity |
|---|---|---|---|---|---|---|---|---|---|
| | ₹ | ₹ | ₹ | ₹ | ₹ | | | ₹ | ₹ |
| **As at April 1, 2019** | **8,63,87,630** | **74,45,000** | **5,77,62,140** | **51,35,77,741** | **13,35,18,064** | **1,58,12,500** | **64,70,409** | **34,15,24,254** | **1,16,24,97,738** |
| Payment of dividend | - | - | - | - | - | - | | - | - |
| Payment of dividend distribution tax | - | - | - | - | - | - | | - | - |
| Warrant Application Money | - | - | - | - | - | - | | - | - |
| Other Comprehensive Income | - | - | - | - | - | - | | (7,92,253) | (7,92,253) |
| Warrant forfited | - | - | - | - | - | - | | | - |
| Current year profit | - | - | - | - | - | - | | (14,23,91,860) | (14,23,91,860) |
| Minority Interest | - | - | - | - | - | - | (10,254) | - | (10,254) |
| **As at March 31,2020** | **8,63,87,630** | **74,45,000** | **5,77,62,140** | **51,35,77,741** | **13,35,18,064** | **1,58,12,500** | **64,60,155** | **19,83,40,141** | **1,01,93,03,371** |
| **As at April 1, 2020** | **8,63,87,630** | **74,45,000** | **5,77,62,140** | **51,35,77,741** | **13,35,18,064** | **1,58,12,500** | **64,60,155** | **19,83,40,141** | **1,01,93,03,371** |
| Payment of dividend | - | - | - | - | - | | | - | - |
| Payment of dividend distribution tax | - | - | - | - | - | | | - | - |
| Other Comprehensive Income | - | - | - | - | - | | | 8,00,902 | 8,00,902 |
| Current year profit | - | - | - | - | - | | | (72,23,31,892) | (72,23,31,892) |
| **Minority Interest** | **-** | **-** | **-** | **-** | **-** | **-** | **-1,70,233** | **-** | **(1,70,233)** |
| **As at March 31,2021** | **8,63,87,630** | **74,45,000** | **5,77,62,140** | **51,35,77,741** | **13,35,18,064** | **1,58,12,500** | **62,89,922** | **(52,31,90,849)** | **29,76,02,148** |

The accompanying notes are an integral part of financial statements

For and on behalf of the Board of Directors

**As per our report annexed**
**For V.S. SOMANI AND Co.,**
Chartered Accountants
Firm Registration No.: 117589W

**CA Vidyadhar S Somani**
*Proprietor*
Membership No.: 102664

**AJAY R DHOOT**
*Vice Chairman*
Din 00210424

**ADITYA R DHOOT**
*Managing Director*
Din 00057224

Place:- Mumbai
Date:- 30.06.2021

**SHANTILAL SURANA**
*Chief Financial Officer*

**ANITA JAISWAL**
Company Secretary

## Notes to Financial Statements for the year ended March 31, 2021

**Note 1: Corporate information**

The consolidated financial statements comprise financial statements of IMP Powers Limited ("the company") and its subsidiary of IMP Energy Limited (collectively, "the Group") for the year ended March 31, 2021. The Company is a public Company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The Group's principal business is manufacturing of transformers and is setting up of small and mini hydro power plants Company's shares are listed on two recognized stock exchanges in India.

**Note 2: Basis of Preparation, Basis of Consolidation and Summary of significant accounting policies**

**2.1. Basis of accounting and preparation of financial statements**

The financial statements of the group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.For all periods up to and including the year ended March 31, 2021, the Group prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements have been prepared on a historical cost basis except for the certain assets and liabilities which have been measured at fair value:

**2.2 Basis of Consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)

- Exposure, or rights, to variable returns from its involvement with the investee, and

- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee

- Rights arising from other contractual arrangements

- The Group's voting rights and potential voting rights

- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when

the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information in accordance with Ind AS of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the

subsidiary, unless it is impracticable to do so.

**Consolidation procedure**

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

Offset (eliminate) the carrying amount of the parent's investment in subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

Eliminate in full intergroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intergroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intergroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intergroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

• Derecognises the assets (including goodwill) and liabilities of the subsidiary

• Derecognises the carrying amount of any no controlling interests

• Derecognises the cumulative translation differences recorded in equity

• Recognises the fair value of the consideration received

• Recognises the fair value of any investment retained

• Recognises any surplus or deficit in profit or loss

• Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

IMP Energy Limited is considered in the consolidated financial statements.

**2.3. Business Combination**

As such, Indian GAAP balances relating to business combinations entered into before that date have been carried forward with minimal adjustment.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at fair value as on acquisition date and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognized in the statement of profit and loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequently its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Any gain on a bargain purchase is recognized in other comprehensive

income and accumulated in equity as capital reserve if there exists clear evidence, of the underlying reasons for classifying the

business combination as resulting in a bargain purchase; otherwise, the gain is recognized in equity as capital reserve.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than it carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in the statement of profit and loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash generating unit retained.

**2.4 Change in accounting policies**

**2.4.1 Accounting for leases**

The Company's lease asset classes primarily consist of leases for Building. The Company assesses whether a contract is contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

the contract involves the use of an identified asset

the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized 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. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company has lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and again the Company's business needs. Management exercise significant judgment in determining whether theses extension and termination option are reasonably certain to be exercised (see Note 5).

**2.4.2 Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

Expected to be realized or intended to be sold or consumed in normal operating cycle.

Held primarily for the purpose of trading

Expected to be realized within twelve months after the reporting period, or

Cash or cash equivalent unless restricted from being exchanged or used to Settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

It is expected to be settled in normal operating cycle

It is held primarily for the purpose of trading

It is due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelvemonths as its operating cycle.

**2.4.3 Revenue recognition**

**Revenue from Products:** Revenue from sale of products and services are recognized at a time at which the properties in goods are transferred to the buyer. In determining whether an entity has right to payment, the entity shall consider whether it would have an enforceable right to demand or retain payment for good supplied.

Revenue is recognized at the transaction price.

Transaction price is the amount of consideration to which a company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

**Interest and Dividend Income:** Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognized when the shareholders' right to receive dividend is established.

**Insurance Claim:** Claims receivable are accounted at the time when such income has been earned by the Company depending on the certainty of receipts.

**Rent:** Rent Income is recognized on the accrual basis based on agreement entered by the Company with the tenants

The specific recognition criteria described below must also be met before revenue is recognized.

**2.4.4. Export incentives**

Export Incentives such as Merchandise Export Incentive Scheme, is recognized in the Statement of Profit and Loss as a part of other operating revenues.

**2.4.5 Taxes**

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in statement of profit and loss or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business

combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

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

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

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

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction neither in OCI nor directly in equity.

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

**Goods and Service Tax/ value added taxes paid on acquisition of assets or on incurring expenses**

Expenses and assets are recognized net of the amount of GST/ paid, except:

When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable

When receivables and payables are stated with the amount of tax included the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**2.4.6 Property, plant and equipment**

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost. Cost comprises the purchase price and any attributable cost of bringing asset to its working condition for its intended use only. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated as per schedule II of the companies act 2013 on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Company has used the following useful lives to provide depreciation on its fixed assets. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

**Asset Class Useful life**

| | |
|---|---:|
| Buildings | 30 years |
| Plant & Machinery | 15 years |
| Software | 6 years |
| Air Conditioning Equipment | 8 years |
| Furniture & Fixtures | 10 years |
| Office Equipment | 5 years |
| Motor Vehicles | 8 years |
| Computer Servers | 3 years |
| Electrical Installations | 10 years |

The management believes that the depreciation rates fairly reflect its estimation of the useful lives and residual values of the fixed assets.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**2.4.7 Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either infinite or finite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with infinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of infinite life is reviewed annually to determine whether the infinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Intangible assets are amortized on straight line method asunder:

Software expenditure is amortized over a period of three years.

Technical Knowhow expenditure is amortized over a period of ten years.

**2.4.8 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other

borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. To the extent that the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings.

To the extent that the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowing costs eligible for capitalization by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset

**2.4.9 Investments:**

Current investments are carried at the lower of cost or quoted/ fair value, computed category-wise. Long term investments are stated at cost and provision is made for any diminution in such value, which is not temporary in nature.

**2.4.10 Leases**

The Company has entered into various arrangements like lease of premises which has been disclosed accordingly under Ind AS

116 At inception of a contract, the Company assesses whether contract is, or contains, lease. A contract is, or contains, a lease is the contract convey the right of control the use of an identified assets for the period of time in exchange for consideration. The assessment of whether a contract convey the right to control the use of as identified assets depends on whether the Company obtains substantially all the economic benefits from the use of the assets and whether the Company has a right to direct the use of the assets.

**2.4.11 Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Company recognizes to make lease payments and right-of-use assets representing the right to use the underlying assets.

**2.4.12. Right-of-use assets**

The Company recognizes right-of-assets at the commencement date of the lease (i.e the date the underlying assets is available for use). The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of liabilities. Right-of-use assets are depreciated on a straight- basis over shorter of the lease term or the estimated useful life of the underlying assets as follows.

| Assets Class | Useful life |
|---|---|
| Building | 3 years |

If ownership of the leased assets transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the assets. The company presents right-of- use assets separately in the balance sheet.

**2.4.13 Lease Liabilities**

At the commencements date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payment includes fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees. The lease payment also includes the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or rare are recognized as expenses (unless the const is included in the carrying value of inventor) in the period in which the event or condition that triggers the payments occurs.

In calculating the present value of lease payment, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount lease liabilities is increased to reflect the accretion of interest and reduces for the lease payment made. In addition, the carrying amount of lease liabilities is re measured if there is a modification, a change in the lease terms, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying assets.

The Company's lease liabilities are included in current and non-current financial; liabilities. Lease liabilities have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**2.4.14 Short-term lease and leases of low-value assets**

The Company applies the short-term lease recognition exemption to the contracts which have a lease term of 12 months or less from the date of commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to the lease contract that are considered to the low value. Lease payments on short-term leases and leases of low-value assets are recognized as expenses on a straight –line basis over the lease term.

**2.4.15 Inventories**

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and

labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing cost. Cost of finished goods excluding GST. Cost is determined on a weighted average basis.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**2.4.16 Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating toa provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

**2.4.17 Retirement and other employee benefits**

**Defined Contribution plan**

Retirement benefit in the form of Provident Fund is defined contribution scheme. The Company has no obligation, other than the contribution payable to the abovementioned funds. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date

exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

**Defined benefit plan**

The Company has a defined benefit gratuity plan, which requires contribution to be made to a separately administered fund. The Company's liability towards this benefit is determined on the basis of actuarial valuation using Projected Unit Credit Method at the date of balance sheet.

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

Past service costs are recognized in statement of profit and loss on the earlier of:

• The date of the plan amendment or curtailment and

• The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in statement of profit and loss:

• Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and

• Net interest expense or income

**Compensated absences**

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit and this is shown under short term provision in the Balance Sheet. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes and this is shown under long term provisions in the Balance Sheet. Such long-term compensated

absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Other Comprehensive Income and are not deferred. The Company presents the leave as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12-month sifter the reporting

dates. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

**Termination benefits**

The Company recognizes termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefit falls due for more than 12-month sifter the balance sheet date, they are measured at present value of the future cash flows using the discount rate determined by reference to market yields at the balance sheet date on the government bonds.

**2.4.18 Cash and cash equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**2.4.19 Other Financial Assets:**

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 the 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.

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

**2.4.20 Foreign currencies**

The Company's financial statements are presented in which is also the Company's functional currency. Transactions in foreign currencies are initially recorded by the Company at ₹ spot rate' at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in statement of profit and loss.

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

**2.4.21. Earnings per Share**

Basic Earnings per share (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 after adjusting impact of dilution shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

**2.4.22. Contingent liabilities and assets**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed 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 is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

**2.4.23 Significant accounting judgments, estimates and assumptions**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognized in the periods in which the results are known / materialized.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**a) Taxes**

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the Company's domicile. Based on approved plans and budgets, the company has estimated that the future taxable income will be sufficient to absorb MAT credit entitlement, which management believes is probable. Accordingly, the Company has recognized MAT credit as an asset.

**b) Defined benefit plans (gratuity benefits)**

The Company's obligation on account of gratuity, compensated absences and present value of gratuity obligation are determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Increase in future salary and gratuity is based on expected future inflation rates. Further details about gratuity obligations are given in note 19.

**2.4.24 Non-current assets (or disposal groups) classified as held for sale:**

To classify any asset or disposal groups (comprising assets and liabilities) as "Asset / Disposal groups held for sale" they must be available for immediate sale and its sale must be highly probable. Such assets or group of assets / liabilities are presented separately in the Balance Sheet, in the line "Assets / Disposal groups held for sale" and "Liabilities included in disposal group held for sale" respectively. Once classified as held for sale, intangible assets and PPE are no longer amortised or depreciated. Such assets or disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell.

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**Note :-3(a) Property, Plant & Equipments**

| Particular | Free Hold Land | Building | Plant & Equipments | Electrical instaliation | Air Conditioning Equipments | Furniture & Fixtures | Office Equipments | Vehicles | Computer | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| Gross Carrying amount | | | | | | | | | | |
| **As at April 1, 2019** | **3,30,51,968** | **53,99,07,182** | **79,07,72,581** | **1,86,62,129** | **58,21,833** | **2,78,59,258** | **72,96,340** | **5,87,60,713** | **1,74,38,746** | **1,49,95,70,750** |
| Additions | - | - | 14,55,736 | - | 5,085 | 1,38,239 | 3,87,826 | - | 2,49,800 | 22,36,686 |
| Deletion | - | - | - | - | - | - | - | 1,05,39,456 | 57,62,678 | 1,63,02,134 |
| Adjusted during the year* | 2,39,26,860 | 1,19,88,246 | - | - | - | - | - | - | - | 3,59,15,106 |
| **As at March 31,2020** | **91,25,108** | **52,79,18,936** | **79,22,28,317** | **1,86,62,129** | **58,26,918** | **2,79,97,497** | **76,84,166** | **4,82,21,257** | **1,19,25,869** | **1,44,95,90,196** |
| Additions | - | - | 17,59,157 | - | - | - | 58,120 | - | - | 18,17,277 |
| Deletion | - | - | - | - | - | - | - | 2,09,41,758 | - | 2,09,41,758 |
| Adjusted during the year* | - | - | - | - | - | - | - | - | - | - |
| **As at March 31,2021** | **91,25,108** | **52,79,18,936** | **79,39,87,474** | **1,86,62,129** | **58,26,918** | **2,79,97,497** | **77,42,286** | **2,72,79,499** | **1,19,25,869** | **1,43,04,65,715** |
| **Accumalated Depreciation** | | | | | | | | | | |
| As at April 1, 2019 | - | 21,75,79,947 | 39,63,92,587 | 1,75,91,697 | 45,15,729 | 2,38,21,859 | 48,82,735 | 3,26,16,142 | 1,62,46,826 | 71,36,47,522 |
| Depreciation for the year | - | 1,59,74,802 | 4,19,33,195 | 82,660 | 2,29,605 | 5,33,253 | 6,21,989 | 50,53,177 | 6,34,583 | 6,50,63,264 |
| Deletion | - | - | - | - | - | - | - | 99,76,175 | 55,56,189 | 1,55,32,364 |
| Adjusted during the year* | - | 78,55,462 | - | - | - | - | - | - | - | 78,55,462 |
| **As at March 31,2020** | **-** | **22,56,99,287** | **43,83,25,782** | **1,76,74,357** | **47,45,334** | **2,43,55,112** | **55,04,724** | **2,76,93,144** | **1,13,25,220** | **75,53,22,960** |
| Depreciation for the year | - | 1,60,10,366.64 | 4,56,45,582.70 | 20,017.35 | 1,93,388.31 | 4,83,023.95 | 5,85,334.83 | 46,47,594.71 | 2,05,544.95 | 6,77,90,853 |
| Deletion | - | - | - | - | - | - | - | 1,46,86,536 | - | 1,46,86,536 |
| **As at March 31,2021** | **-** | **24,17,09,654** | **48,39,71,365** | **1,76,94,374** | **49,38,723** | **2,48,38,136** | **60,90,059** | **1,76,54,203** | **1,15,30,765** | **80,84,27,278** |
| **Net Book Value** | | | | | | | | | | |
| **As at March 31,2020** | **91,25,108** | **30,22,19,649** | **35,39,02,535** | **9,87,772** | **10,81,583** | **36,42,385** | **21,79,442** | **2,05,28,113** | **6,00,649** | **69,42,67,236** |
| **As at March 31,2021** | **91,25,108** | **28,62,09,282** | **31,00,16,109** | **9,67,755** | **8,88,195** | **31,59,361** | **16,52,227** | **96,25,296** | **3,95,104** | **62,20,38,437** |

Note:- Building att include an amount of ₹ 1250/- representing value of share in Co-operative Housing Society Limited.

*Adjustment included regrouping of certain assets in to other class of assets.

**Note :- 3 (b): Assets held for sale**

| **Particulars** | **As At** | |
|---|---|---|
| | **March 31, 2021** | March 31,2020 |
| | ₹ | ₹ |
| Freehold Land | 2,39,26,860 | 2,39,26,860 |
| Building | 41,32,784 | 41,32,784 |
| **Total** | **2,80,59,644** | **2,80,59,644** |

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

**Note :-4 Intangible assets**

| Particular | Software | Technical Know how | Goodwill | Total |
|---|---|---|---|---|
| | ₹ | ₹ | ₹ | ₹ |
| **Gross Carrying amount** | | | | |
| **As at April 1, 2019** | **10,67,548** | **62,73,512** | **23,75,776** | **97,16,836** |
| Additions | - | - | | - |
| Deletion | 2,21,342 | - | | 2,21,342 |
| **As at March 31,2020** | **8,46,206** | **62,73,512** | **23,75,776** | **94,95,494** |
| Additions | - | - | | - |
| Deletion | - | - | | - |
| **As at March 31,2021** | **8,46,206** | **62,73,512** | **23,75,776** | **94,95,494** |
| **Accumulated Amortization** | | | | |
| **As at April 1, 2019** | **4,48,164** | **3,52,829** | **-** | **8,00,993** |
| Amortization during the year | 1,39,278 | 3,13,675 | | 4,52,953 |
| Deletion | 1,14,125 | - | - | 1,14,125 |
| **As at March 31, 2020** | **4,73,317** | **6,66,504** | **-** | **11,39,821** |
| Amortization during the year | 1,03,161 | 3,13,675 | - | 4,16,836 |
| Deletion | - | - | - | - |
| **As at March 31, 2021** | **5,76,478** | **9,80,179** | **-** | **15,56,657** |
| **Net Book Value** | | | | |
| **As at March 31,2020** | **3,72,889** | **56,07,008** | **23,75,776** | **83,55,673** |
| **As at March 31, 2021** | **2,69,728** | **52,93,333** | **23,75,776** | **79,38,837** |

**Note :- 5 Leases**

Refer note for accounting Policy of Leases

**Note :- 5 (a): Right-of- Use Assets**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| | Building | Total |
| | ₹ | ₹ |
| On Openig net carrying balance | 1,64,46,565 | - |
| Addition of Ind-As 116" Leases" as on April 01,2020 | - | 2,36,83,054 |
| Addition during the year | - | - |
| Depreciation | 76,18,956 | 72,36,489 |
| **Total** | **88,27,609** | **1,64,46,565** |

**Note :- 5 (b): Lease Liabilities**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| Addition of Ind-As 116" Leases" as on April 01,2020 | 1,74,41,761 | - |
| Addition during the year | | 2,36,83,054 |
| Accretion of Interest (Refer Note :-31 ) | 20,64,036 | 29,60,382 |
| Payment | (89,92,547) | (92,01,675) |
| **Total** | **1,05,13,250** | **1,74,41,761** |

Note:- The rate used for discounting is 12% pa

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

**Note :-6 Investments**

| Particulars | As at March 31,2021 | | | As at March 31,2020 | | |
|---|---|---|---|---|---|---|
| | F.V. | Unquoted | Total | F.V. | Unquoted | Total |
| | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| **Non-Current (Unquoted Fully Paid)** | | | | | | |
| Others | | | | | | |
| (a) 10 The Mogaveera Co-Op. Bank Limited f Rs. 100/- | 100 | 1,000 | 1,000 | 100 | 1,000 | 1,000 |
| (b) 25 The SVC Co-Op. Bank Limited Of Rs. 25/- | 25 | 625 | 625 | 25 | 625 | 625 |
| **Total -** | | **1,625** | **1,625** | **125** | **1,625** | **1,625** |

**Note :-7 Other Non-current assets**

| Particulars | As At | |
|---|---|---|
| | March 31, 2021 | March 31,2020 |
| | ₹ | ₹ |
| Other Financial assets | | |
| (a) Security deposits | | |
| Unsecured, considered good | 49,70,356 | 50,03,450 |
| (b) Other loans and advances | | |
| Unsecured, considered good | 2,08,000 | 1,78,000 |
| **Total** | **51,78,356** | **51,81,450** |

**Note :-8 Income taxes and deferred taxes**

**Deferred Tax Assets / Liabilities**

| Particulars | As At | |
|---|---|---|
| | March 31, 2021 | March 31,2020 |
| Deferred tax Assets/ (Liability) | | |
| Tax effect of items constituting deferred tax liability | | |
| Opening Balance | 7,67,27,256 | 7,82,13,065 |
| On difference between book balance and tax balance of fixed assets | 48,53,026 | (28,10,667) |
| On expenditure deferred in the books but allowable for tax purposes (reversal of Previous Year) | (4,63,924) | 13,24,858 |
| Tax effect of items constituting deferred tax liability | 8,11,16,358 | 7,67,27,256 |
| Opening Balance | 10,34,35,368 | 3,39,96,573 |
| Provision for compensated absences, gratuity and other employee benefits | (2,66,341) | (2,66,678) |
| Disallowances under Section 43B of the Income Tax Act, 1961 | 30,58,54,400 | 6,97,05,473 |
| Tax effect of items constituting deferred tax assets | 40,90,23,427 | 10,34,35,368 |
| **Net deferred tax liability/ (assets)** | **32,79,07,069** | **2,67,08,112** |

**Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate:**

| Particulars | As At | |
|---|---|---|
| | March 31, 2021 | March 31,2020 |
| Profit/(Loss) before income tax expense | (1,02,36,93,981) | (21,42,32,718) |
| **Tax effects of amounts which are not deductible (taxable) in calculating taxable income** | - | - |
| **Recognition of deferred tax (income)/expenses on account of following:** | | |
| Property, plant and equipment | 48,53,026 | (28,10,667) |
| Employee benefit and others | (30,60,51,983) | (6,81,13,937) |
| **Income Tax Expenses** | **(30,11,98,957)** | **(7,09,24,604)** |

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**Note :-9 Inventories**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| (a) Raw Materials | | |
| Copper wire & Strips | 1,93,03,065 | 76,48,848 |
| Transformer oil | 50,75,603 | 2,26,49,123 |
| Lamination | 19,64,250 | 1,05,65,262 |
| Others | 18,71,83,386 | 29,81,61,048 |
| | 21,35,26,304 | 33,90,24,281 |
| (b) Work-in-progress | 77,31,86,726 | 1,02,16,94,508 |
| (c) Finished goods | 25,74,42,091 | 37,24,22,174 |
| **Total** | **1,24,41,55,121** | **1,73,31,40,963** |

(The above inventories are hypothecated as securities to the bankers/NBFC agaist fund based and non fund base limits availed by the Company.)

**Note :- 10 Trade Receivables (Unsecured) (Net of Advances)**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| Unsecured Considered Good | | |
| Over Six months | 72,33,78,240 | 32,11,01,866 |
| Others | 19,36,72,127 | 61,46,57,881 |
| **Total** | **91,70,50,367** | **93,57,59,747** |

**Note :- 11 Cash and Cash Equivalents**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| (i) Cash on hand | 9,87,086 | 14,38,713 |
| (ii) Balances with banks | | |
| (i) In current accounts | 75,63,461 | 6,06,493 |
| **Cash and Cash Equivalents as per statement of Cash Flow** | **85,50,546** | **20,45,206** |

**Note :- 12 Bank Balance other than Cash and Cash Equivalent**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| - Unpaid dividend accounts | 1,87,471 | 1,84,391 |
| - Balances held as margin money or security against borrowings, guarantees and other commitments (Lien with Bank) | 17,01,76,864 | 24,44,14,627 |
| **Total** | **17,03,64,335** | **24,45,99,018** |

**Note :- 13 Loans**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| | ₹ | ₹ |
| **Current** | | |
| Unsecured, considered good | | |
| Loan and Advances to others | 15,24,26,255 | 30,99,207 |
| **Total** | **15,24,26,255** | **30,99,207** |

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**Note :- 14 Other Current Assets**

| Particulars | As at | |
|---|---|---|
| | **March 31, 2021** | March 31, 2020 |
| | ₹ | ₹ |
| Unsecured, considered good | | |
| (a) Rent Receivable (Refer note (i) below) | 64,86,880 | 64,86,880 |
| (b) Earnest Money Deposit,Margin money and other deposit | 1,11,67,213 | 2,78,60,224 |
| (c) Prepaid expenses | 8,38,72,692 | 5,44,38,401 |
| (d) Advance Licence (Refer Note (ii) below) | 1,48,30,477 | 3,07,43,661 |
| (e) Interest accrued / receivable | 6,45,77,890 | 6,53,32,551 |
| (f) Balances with government authorities taxes | 1,77,46,180 | 42,37,518 |
| **Total** | **19,86,81,333** | **18,90,99,235** |

i) The amount represents rent receivable from a party against whom the Company has filed a case and is hopeful of recovering the entire amount and hence not provided in the books of account.

ii) The Company has undertaken export & deemed exports of its products, by using indigenous raw materials. Against such exports the Company has received Quantity/value Based Advance Licenses entitling the company to import certain raw materials at Nil Custom duty. The Utilized portion of these licenses amounting to Rs. 148.3 lacs (Rs. 307.44 Lacs) has been valued as prevailing Customs Duty rates 31st March,2021 and taken credit in the books of accounts in accordance with the matching principle of accountancy.

**Note :- 15 (a) Equity Share Capital**

| Particulars | As At March 31, 2021 | | As At March 31, 2020 | |
|---|---|---|---|---|
| | **Number of Shares** | ₹ | Number of Shares | ₹ |
| **(a) Authorised** | | | | |
| Equity Shares of ₹ 10/- each with voting rights | 2,76,70,000 | 27,67,00,000 | 2,76,70,000 | 27,67,00,000 |
| Preference shares of ₹10/- each | 63,30,000 | 6,33,00,000 | 63,30,000 | 6,33,00,000 |
| | **3,40,00,000** | **34,00,00,000** | **3,40,00,000** | **34,00,00,000** |
| **(b) Issued** | | | | |
| Equity Shares of ₹ 10/- each with voting rights | 86,40,963 | 8,64,09,630 | 86,40,963 | 8,64,09,630 |
| | **86,40,963** | **8,64,09,630** | **86,40,963** | **8,64,09,630** |
| **(c) Subscribed and fully paid up** | | | | |
| Equity Shares of ₹ 10/- each with voting rights | 86,36,563 | 8,63,65,630 | 86,36,563 | 8,63,65,630 |
| Add:- Shares Forfeited | | 22,000 | | 22,000 |
| | 86,36,563 | 8,63,87,630 | 86,36,563 | 8,63,87,630 |
| **Total** | **86,36,563** | **8,63,87,630** | **86,36,563** | **8,63,87,630** |

Note:-

The Company has only one class of equity shares having face value of Rs.10 per share. Each holder of equity share is entitled to one vote per equity share.Dividend if recommended by the Board of Directors subject to the approval of the members at the ensuing Annual General Meeting except interim dividend. The Board of Directors have a right to deduct from the dividend payable to any member, any sum due from him to the Company.

In the event of winding-up, the holders of equity shall be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proporation to the number of equity share held by shareholders. The share holders have all other rights as available to equity shareholders as per the provision of the Companies Act, applicable in India read together with the Memorandam and Articles of Association of the company as applicable.

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**(i) Details of shares held by each shareholder holding more than 5% shares:**

| Class of shares / Name of shareholder | As at March 31, 2021 | | As at March 31, 2020 | |
|---|---|---|---|---|
| | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| **Equity shares with voting rights** | | | | |
| Advance Transformer & Equipment Private Limited | 9,36,939 | 10.84 | 9,36,939 | 10.84 |
| Shree Rasbihari Trading and Investment Private Limited | - | - | 7,97,773 | 9.23 |
| Shree Kishoriju Trading & Investment Private Limited | 5,87,552 | 6.80 | 5,87,552 | 6.80 |
| Canbank Factors Limited | 13,96,369 | 16.17 | - | - |
| Vistra Itcl India Limited | 5,01,390 | 5.81 | 5,01,390 | 5.81 |

**Note 15 (b): Money Received agaisnt Share Warrants**

| Particulars | As At | |
|---|---|---|
| | March 31, 2021 | March 31,2020 |
| | ₹ | ₹ |
| Money Received agaisnt share warrants | - | 1,58,12,500 |
| **TOTAL** | - | 1,58,12,500 |

**Note:-**

During the Previouse year, the Company has allotted 5,50,000 Convertible Warrants at an exercise price of Rs. 115/- per warrant [1,50,000 Covertaible warrants alloted to Advance Transformers & Equipments Private Limited & 4,00,000 convertible warrants allotted to Shree Kishoriju Trading and Investment Private Limited], the entities belonging to promoter & promoter group. Each warrant is convertible in to 1 Equity Share as per application SEBI guidelines at any time before the expiry of 18 months form the date of allotment i.e. on or before 25th May, 2020.

**Note :- 16 Other Equity**

| Particulars | As At | |
|---|---|---|
| | March 31, 2021 | March 31,2020 |
| | ₹ | ₹ |
| (a) Capital Reserve | 74,45,000 | 74,45,000 |
| Add:- Share Warrants forfeited | 1,58,12,500 | - |
| | 2,32,57,500 | 74,45,000 |
| (b) Shares Capital Redemption Reserve | 5,77,62,140 | 5,77,62,140 |
| (c) Securities Premium Account | 51,35,77,741 | 51,35,77,741 |
| (d) General Reserve | 13,35,18,064 | 13,35,18,064 |
| (e) Retained Earning | | |
| Opening Balance as per last Audited financial Statement | 19,83,40,141 | 34,15,24,254 |
| Add: Profit / (Loss) for the year | (72,23,31,892) | (14,23,91,860) |
| (f) Other Comprehensive Income/ (Expenses) | | |
| Re-measurement gains/Losses on defined benefit plans (net of tax) | 8,00,902 | (7,92,253) |
| Total | (52,31,90,849) | 19,83,40,141 |
| **Total** | **20,49,24,595** | **91,06,43,085** |

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**Note :- 17 Borrowings**

| Particulars | As At March 31, 2021 ₹ | As At March 31,2020 ₹ |
|---|---|---|
| **Non-Current** | | |
| **Secured at amoritsed cost** | | |
| (a) Term loan from Banks | | |
| (i) State Bank of India | - | 1,78,01,435 |
| (ii) Covid-19 Term Loan From | | - |
| Indian Bank | 70,00,000 | |
| Bank of India | 45,68,750 | |
| | **1,15,68,750** | **1,78,01,435** |
| **(b) Other loans and advances (Vehicle Loan)** | | |
| HDFC Bank Limited | - | 66,149 |
| ICICI Bank Limited | 14,06,014 | 23,60,510 |
| | **14,06,014** | **24,26,659** |
| **Total Borrowings** | **1,29,74,764** | **2,02,28,094** |

**Note :- 18 Other Financial Liabilities**

| Particulars | As At March 31, 2021 ₹ | As At March 31,2020 ₹ |
|---|---|---|
| **Loans & advances from Body Corporate** | | |
| Secured | 16,78,31,332 | 18,25,22,147 |
| Unsecured | 85,00,000 | 89,19,748 |
| **Total** | **17,63,31,332** | **19,14,41,895** |

**Notes**

i) Term loan from Banks and Non Banking Financial Institute are secured by way of first charge on all Fixed Assets of the Company both present & future on pari-passu basis with member banks of consortium and Second charge on all Current Assets of the company both present & future on pari-passu basis with member banks of consortium and personal guarantee of promoter Directors shri Ajay R Dhoot and Aditya R Dhoot.

ii) Vehicle Loans are secured by hypothecation of vehicles.

iii) The Company has defaulted in the repayment STCI Finance Limited (Term Loan). The Amount of total Overdue outstanding as at March 31, 2021 is 5.55 Cr towards Principle and Rs.0.32 Cr Towards Interest.

iv) The Company has defaulted in the repayment State bank of India (Term Loan). The Amount of total Overdue outstanding as at March 31, 2021 is 1.79 Cr towards Principle and Rs.0.04 Cr Towards Interest.

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**Note 17 a : Long-term borrowings (contd.)**

(i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

| Particulars | As at March 31,2021 | | As at March 31, 2020 | | Terms of Repayment |
|---|---|---|---|---|---|
| | Current (***) | Non-Current | Current | Non-Current | |
| | ₹ | ₹ | ₹ | ₹ | |
| **Term loans from banks:** | | | | | |
| State Bank of India | 3,82,45,541 | - | 2,81,34,000 | 1,78,01,435 | Quartely installments |
| **Total - Term loans from banks** | **3,82,45,541** | **-** | **2,81,34,000** | **1,78,01,435** | |
| **Funded Interest Term Loan** | | | | | |
| Axis Bank Limited | 14,06,161 | - | - | - | Monthly installments |
| Bank of India | 1,61,79,113 | - | - | - | Monthly installments |
| IDBI Bank Limited | 1,21,23,549 | - | - | - | Monthly installments |
| Karnataka Bank Limited | 69,34,256 | - | - | - | Monthly installments |
| State Bank of India | 3,11,70,813 | - | - | - | Monthly installments |
| | **6,78,13,892** | **-** | **-** | **-** | |
| **(c) Covid Term Loan** | | | | | |
| Indian Bank | 80,00,000 | 70,00,000 | - | - | Monthly installments |
| Bank of India | 1,66,56,284 | 45,68,750 | - | - | Monthly installments |
| State Bank of India | 3,14,05,364 | - | - | - | Monthly installments |
| | **5,60,61,648** | **1,15,68,750** | **-** | **-** | |
| **Other loans and advances:** | | | | | |
| HDFC Bank Limited | 1,93,344 | - | 18,91,808 | 66,149 | Monthly installments |
| ICICI Bank Limited | 14,73,880 | 14,06,014 | 21,69,551 | 23,60,510 | Monthly installments |
| **Total - Other loans and advances** | **16,67,224** | **14,06,014** | **40,61,359** | **24,26,659** | |
| **II Funded Interest Term Loan** | | | | | |
| STCI Finance Limited | 80,16,635 | 52,65,428 | | | Monthly installments |
| Corporate Loan | | | | | |
| Adisun Investments Private Limited | - | 85,00,000 | - | 85,00,000 | On demand |
| STCI Finance Limited (Refer note (a) below) | 7,40,40,000 | 16,25,65,904 | 3,70,20,000 | 18,25,22,147 | Quartely installments |
| Volition Credit Holding Private Limited (Refer note (b) below) | 66,49,471 | - | 80,20,623 | 4,19,748 | Monthly installments |
| Brij Systems Limited | - | - | 1,50,00,000 | - | Monthly installments |
| Pro Fin Capital Services Limited (Loan) | 2,00,00,000 | - | - | - | On demand |
| IVL Finance Limited | - | - | 10,55,669 | - | Monthly installments |
| **Total - Corporate Loan** | **10,87,06,106** | **17,63,31,332** | **6,10,96,292** | **19,14,41,895** | |
| Loans & advances from related parties | | | | | |
| Loan Related Parties | 10,17,79,731 | - | 10,00,53,391 | - | On demand |
| **Total (i+ii)** | **37,42,74,142** | **18,93,06,096** | **19,33,45,042** | **21,16,69,989** | |

**Note:-**

(a) Secured by first pari-pasu charge on entire fixed assets of company both present & future along with STCI Finance Limited

(b) Secured by pledge of equity shares of Promoter Group Company and Personal Guarantee of Managing Director.

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**Note :- 19 Provisions**

| Particulars | As At March 31, 2021 | As At March 31,2020 |
|---|---|---|
| | ₹ | ₹ |
| **Non-Current** | | |
| (i) Provision for compensated absences | 32,16,369 | 40,61,013 |
| (ii) Provision for Gratuity | 54,26,699 | 40,46,460 |
| **Total** | **86,43,068** | **81,07,473** |

**Defined Benefits Plans :**

**a. Contribution to Gratuity Fund -**

The Company regularly contributes to the gratuity fund called the " Industrial Meters Private Limited Gratuity Fund" framed under the Payment of Gratuity Act, 1972, which is a defined benefit plan.

**Changes in Defined Benefit Obligation :**

| Particulars | As At March 31, 2021 | As At March 31,2020 |
|---|---|---|
| | ₹ | ₹ |
| Present Value of Benefit Obligation at the Beginning of the Period | 1,51,51,914 | 1,34,02,893 |
| Interest Cost | 10,36,391 | 10,41,405 |
| Current Service Cost | 12,69,121 | 9,83,223 |
| Past Service Cost- Vested Benefit | - | - |
| Benefit Paid From the Fund | (10,47,354) | (16,48,925) |
| Actuarial (Gain)/Loss on obligations - Due to change in Financial Assumption | 43,076 | 10,47,919 |
| Actuarial (Gain)/Loss on obligations due to Experience | (6,90,317) | 3,25,399 |
| **Present Value of Benefit Obligation at the End of the Period** | **1,57,62,831** | **1,51,51,914** |

**Changes in the Fair value of Plan Assets for Gratuity ( Funded Scheme) :**

| Particulars | As At March 31, 2021 | As At March 31,2020 |
|---|---|---|
| | ₹ | ₹ |
| Fair Value of Plan Assets at the Beginning of the Period | 80,87,054 | 84,94,863 |
| Expected Return on Plan Assets | 5,53,154 | 6,60,051 |
| Contributions by the Employer | - | - |
| Benefit Paid from fund | (10,47,354) | (16,48,925) |
| Actuarial gain/ (loss) on Plan Assets | - | - |
| Fair Value of Plan Assets at the end of the year | - | - |
| Total Actuarial gain/( loss) To Be Recognized | 1,53,661 | 5,81,065 |
| **Fair Value of Plan Assets at the End of the Period** | **77,46,515** | **80,87,054** |

**Amount recognized in the Balance Sheet:**

| Particulars | As At March 31, 2021 | As At March 31,2020 |
|---|---|---|
| | ₹ | ₹ |
| Present Value of Benefit Obligation at the end of the period | (1,57,62,831) | (1,51,51,914) |
| Fair Value of Plan Assets at the end of the period | 77,46,515 | 80,87,054 |
| Funded Status (Surplus/( Deficit)) | (80,16,316) | (70,64,860) |
| **Net (Liability)/Assets Recognized in the Balance Sheet** | **(80,16,316)** | **(70,64,860)** |

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**Note :- 19 Provisions (Contd.)**

**Net Interest Cost for Current Period**

| Particulars | As At | |
|---|---|---|
| | **March 31, 2021** | March 31, 2020 |
| | ₹ | ₹ |
| Present Value of Benefit Obligation at the Beginning of the Period | 1,51,51,914 | 1,34,02,893 |
| Fair Value of Plan Assets at the Beginning of the Period | (80,87,054) | (84,94,863) |
| Net Liability/ (Assts) at the Beginning | 70,64,860 | 49,08,030 |
| Interest Cost | 10,36,391 | 10,41,405 |
| Interest Income | (5,53,154) | (6,60,051) |
| **Net Interest Cost for Current Period** | **4,83,237** | **3,81,354** |

**Expenses recognized in the Profit & Loss Account:**

| Particulars | As At | |
|---|---|---|
| | **March 31, 2021** | March 31,2020 |
| | ₹ | ₹ |
| Current Service Cost | 12,69,121 | 9,83,223 |
| Interest Cost | 4,83,237 | 3,81,354 |
| Expected Return on Plan Assets | - | - |
| Actuarial Gain or Loss | - | - |
| Past Service Cost- Vested Benefit | | |
| **Expense Recognized in P & L** | **17,52,358** | **13,64,577** |

**Actuarial Assumptions:**

| Particulars | As At | |
|---|---|---|
| | **March 31, 2021** | March 31,2020 |
| | ₹ | ₹ |
| Discount Rate Current | 6.80% | 6.84% |
| Rate of Return on Plan Assets Current | 6.80% | 6.84% |
| Salary Escalation Current | 5.00% | 5.00% |
| Attrition Rate Current Year | 2.00% | 2.00% |

**Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period**

| Particulars | As At | |
|---|---|---|
| | **March 31, 2021** | March 31,2020 |
| | ₹ | ₹ |
| Actuarial (Gains)/Losses on Obligation For the Period | (6,47,241) | 13,73,318 |
| Return On Plan Assets, Excluding Interrest Income | (1,53,661) | (5,81,065) |
| Change ub Asset Ceiling | - | - |
| **Net Income//Expense For the Period Recognized in OCI** | **(8,00,902)** | **7,92,253** |

**Movement in Provision as per Ind As 37 - Provision, Contingent Liabilities & Contingent Assets**

| Particulars | Gratuity | Leave Encashment |
|---|---|---|
| | ₹ | ₹ |
| Opening Provision | 70,64,860 | 47,40,267 |
| Addition provision made during the year | 17,52,358 | 4,55,124 |
| Amount utilised / reversed | 8,00,902 | 8,64,776 |
| **Closing Provision** | **80,16,316** | **43,30,615** |

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**Note :- 20 Borrowings**

| Particulars | As At March 31, 2021 ₹ | As At March 31,2020 ₹ |
|---|---|---|
| **Current** | | |
| Secured | | |
| Cash Credit Facilities (Repayable on demand) | 2,01,90,80,056 | 1,15,93,58,246 |
| Packing Credit Loan | - | 10,85,01,185 |
| | **2,01,90,80,056** | **1,26,78,59,431** |
| **Total** | **2,01,90,80,056** | **1,26,78,59,431** |

**Notes:**

**(i) Details of Loans repayable and security for the secured short-term borrowings:**

| Particulars | As At March 31, 2021 ₹ | As At March 31,2020 ₹ |
|---|---|---|
| from banks: | | |
| Karnataka Bank Limited | 22,21,58,801 | 9,68,17,396 |
| Bank of India | 42,21,96,498 | 18,03,19,009 |
| State Bank of India | 75,25,05,346 | 42,34,99,572 |
| Indian Bank | 29,54,95,471 | 19,86,64,296 |
| IDBI Bank Limited | 21,18,23,118 | 10,26,77,145 |
| Axis Bank Limited | 11,49,00,821 | 15,73,80,829 |
| Packing Credit Loan State Bank of India | - | 1,185 |
| Packing Credit Loan Bank of India | - | 3,35,00,000 |
| Packing Credit Loan Karnatak Bank Limited | - | 7,50,00,000 |
| **Total - from banks** | **2,01,90,80,056** | **1,26,78,59,431** |

**Note:-**

1) Working Capital loan from Banks are secured against first charge on all current assets of the Company, present & future, on pari passu basis with banks in the consortium and Second charge on all Fixed Assets of the company, both present & future, on pari-passu basis with one member bank of consortium, and personal guarantee of promoter Directors Shri Ajay R Dhoot and Shri Aditya R Dhoot.

**Note :- 21 Trade Payables**

| Particulars | As At March 31, 2021 ₹ | As At March 31, 2020 ₹ |
|---|---|---|
| Dues to Micro and Small Enterprises | 1,26,99,473 | 1,60,36,298 |
| Other Trade payables | 67,52,72,737 | 1,02,61,98,230 |
| **Total** | **68,79,72,210** | **1,04,22,34,528** |

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**Note :- 22 Other Financial Liabilities**

| Particulars | As At March 31, 2021 ₹ | As At March 31,2020 ₹ |
|---|---|---|
| **Current** | | |
| (a) Current maturities of long-term debts | | |
| (i) Bank | | |
| Secured | 16,37,88,305 | 3,21,95,359 |
| (ii) Others | | |
| Secured | 8,20,56,635 | 3,70,20,000 |
| Unsecured | 12,84,29,202 | 12,41,29,683 |
| | 37,42,74,142 | 19,33,45,042 |
| (b) Unpaid dividends | 1,87,471 | 1,84,391 |
| **(b) Unpaid dividends** | **1,87,471** | **1,84,391** |

Note (i): Current maturities of long-term debt (Refer Notes (i) and (ii) in Note 17(a) - Long-term borrowings for details of security and guarantee.

**Note :- 23 Other Current Liabilities**

| Particulars | As At March 31, 2021 ₹ | As At March 31,2020 ₹ |
|---|---|---|
| Other payables | 8,95,33,602 | 9,60,90,552 |
| **Total** | **8,95,33,602** | **9,60,90,552** |

**Note :- 24 Provisions**

| Particulars | As At March 31, 2021 ₹ | As At March 31,2020 ₹ |
|---|---|---|
| **Current** | | |
| Provision for employee benefits: | | |
| (i) Provision for bonus | 37,43,082 | 23,50,988 |
| (ii) Provision for compensated absences | 11,14,246 | 6,79,254 |
| (iii) Provision for Gratuity | 25,89,617 | 30,18,400 |
| **Total** | **74,46,945** | **60,48,642** |

**Note :- 25 Current Tax Liabilities (Net)**

| Particulars | As At March 31, 2021 ₹ | As At March 31,2020 ₹ |
|---|---|---|
| Provision for tax (Net of advance tax / TDS) | 66,20,547 | 2,44,78,502 |
| **Total** | **66,20,547** | **2,44,78,502** |

**Note :-27 Revenue from operations**

| Particulars | 2020-21 ₹ | 2019-20 ₹ |
|---|---|---|
| (a) Sale of Products | 95,50,15,608 | 2,63,41,63,648 |
| (b) Erection and Commissioning Services | 12,15,000 | 1,13,47,125 |
| **Total** | **95,62,30,608** | **2,64,55,10,773** |

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**Note :-27 Other Income**

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| (a) Interest Income | 1,02,14,948 | 1,90,45,214 |
| (b) Profit on sale of assets | 2,11,781 | 21,91,653 |
| (c) Gain on foreign currency transactions (Net) | 22,72,932 | - |
| **Total** | **1,26,99,661** | **2,12,36,867** |

**Note :-28(a) Cost of materials consumed**

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| Opening stock | 33,90,24,281 | 24,75,85,232 |
| Add: Purchases | 60,29,86,973 | 2,48,80,20,909 |
| | 94,20,11,254 | 2,73,56,06,141 |
| Less: Closing stock | 21,35,26,304 | 33,90,24,281 |
| | **72,84,84,950** | **2,39,65,81,860** |
| Details of Raw Material consumed : | | |
| Copper wire & Strips | 28,07,97,876 | 83,16,75,060 |
| Transformer oil | 7,50,71,344 | 23,52,89,610 |
| Lamination | 13,24,13,029 | 63,20,70,193 |
| Others | 24,02,02,700 | 69,75,46,996 |
| **Total** | **72,84,84,950** | **2,39,65,81,860** |

**Note :-28(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade**

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| Inventories at the end of the year: | | |
| Finished goods | 25,74,42,091 | 37,24,22,174 |
| Work-in-progress | 77,31,86,726 | 1,02,16,94,508 |
| | 1,03,06,28,817 | 1,39,41,16,682 |
| Inventories at the beginning of the year: | | |
| Finished goods | 37,24,22,174 | 37,69,31,011 |
| Work-in-progress (Refer Note No:-42) | 81,07,58,864 | 75,38,22,667 |
| | 1,18,31,81,038 | 1,13,07,53,678 |
| **Net (increase) / decrease** | **15,25,52,221** | **(26,33,63,004)** |

**Note :- 29 Employee benefits expense**

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| Salaries and wages | 9,89,56,414 | 14,74,66,505 |
| Contributions to provident and other funds | 22,44,176 | 34,82,660 |
| Gratuity | 17,30,297 | 15,28,670 |
| Staff welfare expenses | 21,18,832 | 42,21,384 |
| **Total** | **10,50,49,719** | **15,66,99,219** |

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**Note :-30 Finance Costs**

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| (a) Interest expense on: | | |
| Borrowings | 33,76,00,711 | 25,33,08,433 |
| (b) Other borrowing costs | | |
| Bank Commission,Bank Guarantee & other Charges | 5,04,87,753 | 5,78,43,767 |
| **Total** | **38,80,88,464** | **31,11,52,200** |

**Note :- 31 Depreciation and Amoritisation Expenses**

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| (a) Depreciation on Property, Plant and Equipments | 6,77,90,853 | 6,50,63,264 |
| (b) Amoritisation of Intangible Assets | 4,16,836 | 4,52,953 |
| (c) Lease Assets Depreciation | 76,18,956 | 72,36,489 |
| | **7,58,26,646** | **7,27,52,706** |

**Note :-32 Other Expenses**

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| Power and fuel | 1,56,87,062 | 2,06,24,182 |
| Rent including lease rentals(Net) | - | 7,95,460 |
| Repairs and maintenance - Buildings | 2,85,261 | 11,12,969 |
| Repairs and maintenance - Others | 12,58,586 | 19,55,585 |
| Repairs and maintenance - Plant & Machinary | - | 12,01,730 |
| Insurance | 78,27,855 | 83,99,660 |
| Rates and taxes | 20,67,786 | 25,84,482 |
| Communication | 12,89,418 | 16,77,152 |
| Travelling and conveyance | 1,35,43,412 | 2,22,76,115 |
| Printing and stationery | 11,24,367 | 13,17,574 |
| Freight and forwarding | 2,37,99,322 | 5,75,27,550 |
| Loading & Unloading Charges | 41,160 | 18,24,748 |
| Donations and contributions | - | 23,400 |
| Legal and professional | 1,57,00,426 | 1,94,95,198 |
| Payments to auditors (Refer Note (i) below) | 5,32,110 | 6,11,000 |
| Loss on foreign currency transactions (Net) | - | 17,54,469 |
| Loss on Sal;e of Assets | 35,59,552 | 4,89,653 |
| Testing Fees | 4,28,82,179 | 4,57,40,053 |
| Miscellaneous expenses | 1,06,69,646 | 1,77,46,398 |
| **Total** | **14,02,68,141** | **20,71,57,378** |

Notes:

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| (i) Payments to the auditors comprises (net of service tax input credit, where applicable): | | |
| As auditors - statutory audit | 4,50,000 | 4,50,000 |
| Certification Charges | 82,110 | 1,61,000 |
| **Total** | **5,32,110** | **6,11,000** |

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**Note :- 33 Exceptional Items (Refer Note No.42 )**

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| | ₹ | ₹ |
| (a) Write-downs of inventories to net realisable value | 21,09,35,644 | - |
| (b) Free replacement of material under Warranty scheme | 19,14,18,465 | - |
| **Total** | **40,23,54,109** | **-** |

**Note :-34 Additional information to the financial statements**

| Note | Particulars | As At March 31, 2021 | As At March 31,2020 |
|---|---|---|---|
| | | ₹ | ₹ |
| **34.1** | **Contingent liabilities and commitments (to the extent not provided for)** | | |
| | **Contingent liabilities** | | |
| | (a) Claims against the Company not acknowledged as debt | 11,73,79,077 | 1,71,50,470 |
| | (b) Income Tax Matters | 6,24,13,824 | 4,01,84,648 |
| | (c)Performance ,Counter & Advance Guarantees EMD | 1,06,69,44,270 | 1,41,90,60,732 |
| | (d) Corporate guarantees given to the Banks on behalf of related Party - IMP Energy Limited.* | 22,00,00,000 | 22,00,00,000 |

* Sanctioned Limits as only Rs.2 Cr

**34.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

| Particulars | As At March 31, 2021 | As At March 31,2020 |
|---|---|---|
| | ₹ | ₹ |
| (i) Principal amount remaining unpaid to any supplier as at the end of the accounting year | 1,26,99,473 | 1,60,36,298 |
| (ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | Nil | Nil |
| (iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day | Nil | Nil |
| (iv) The amount of interest due and payable for the year | | |
| (v) The amount of interest accrued and remaining unpaid at the end of the accounting year | Nil | Nil |
| (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | Nil | Nil |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

34.3 Value of imports calculated on CIF basis @:

| | As At March 31, 2021 | As At March 31,2020 |
|---|---|---|
| | ₹ | ₹ |
| Raw materials including Spares | 7,08,75,220 | 12,50,27,260 |

**34.4 Details of consumption of imported and indigenous items ***

| | As at March 31, 2021 | |
|---|---|---|
| | ₹ | % |
| Imported | | |
| Raw materials | 7,08,75,220 | 9.73 |
| | (17,70,22,263) | (5.41) |

Note: Figures / percentages in brackets relates to the previous year

| Indigenous | As at March 31, 2021 | |
|---|---|---|
| | ₹ | % |
| Indigenous | 65,76,09,730 | 90.27 |
| | (3,09,65,83,992) | (94.59) |

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**Note :-35 Disclosures under Ind-As 24 " Related Party Disclosures"**

**Details of related parties:**

| Description of relationship | **Names of related parties** |
|---|---|
| Companies in which Directors are interested | Raga Organics Private Limited |
| | Advance Transformers & Equipments Private Limited |
| | Shree Kishoriju Trading & Investment Private Limited |
| | Shree Rasbihari Electricals Private Limited |
| | Universal Transformers Private Limited |
| | Shree Rasbihari Trading and Investment Private Limited |
| | Raj Exports Private Limited |
| | Mangalam Laboratories Private Limited |
| | Shri J B Pharma LLP |
| | Mangalam Drugs & Organics Limited |
| Significant in Influena over the entiry | Industrial Meters Gratuity Fund |
| Director & its Relatives | Chairman : Shri Ramniwas R Dhoot (Resigned w.e.f.15/03/2021) |
| | Vice Chairman : Shri Ajay R Dhoot |
| | Managing Director : Shri Aditya R Dhoot |
| | Priyanjali Malpani (Daughter of Shri Aditya Dhoot) |
| | Mrs. Smita A Dhoot (wife of Shri Aditya. R. Dhoot), |
| | Mrs. Radhika A Dhoot (wife of Shri Ajay R. Dhoot), |
| | Independent Director : Shri Ramdas T Rajguroo |
| Key Management Personnel (KMP) | Mr. Bakul K Desai (CFO) (Resigned w.e.f. 30/07/2020 ) |
| | Mr. Shantilal Surana (CFO) (w.e.f. 29/01/2021) |
| | Mr. Vibhav Ranade(Company Secretary) (w.e.f. 28/03/2019) |
| | Mrs Anita Jaiswal (Company Secretary) (w.e.f 03/06/21) |
| | Mrs. Kanchan Surana (wife of Shantilal Surana) |
| Relative of KMP | Mrs. Beena Desai (Wife of Shri Bakul K Desai) |
| | Mr. Hitul Desai (Son of Shri Bakul Desai) |
| | Mr Siddrath Desai (Son of Shri Bakul Desai) |

Note: Related parties have been identified by the Management.

**Details of related party transactions during the Year ended 31st March, 2021 and balances outstanding As at 31st March, 2021**

| | Subsidiaries | Associates | KMP | Relatives of KMP | Entities in which KMP / relatives of KMP have significant influence | Total |
|---|---|---|---|---|---|---|
| **Related party transactions** | | | | | | |
| **Sale of Goods** | - | - | - | - | - | - |
| Mangalam Drugs & Organics Limited | - | - | - | - | 4,78,12,781 | 4,78,12,781 |
| | | | | | (NIL) | (NIL) |
| **Sale of Cars** | | | | | | |
| Shri Ajay R Dhoot | | | 7,50,000 | - | | 7,50,000 |
| | | | (NIL) | - | | (NIL) |
| Shri Aditya R Dhoot | | | 4,25,000 | - | | 4,25,000 |
| | | | (NIL) | - | | (NIL) |
| Mrs Priyanjali Malpani (Resigned w.e.f. 11/06/2019) | | | - | 16,25,000 | | 16,25,000 |
| | | | - | (NIL) | | (NIL) |

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

| | Subsidiaries | Associates | KMP | Relatives of KMP | Entities in which KMP / relatives of KMP have significant influence | Total |
|---|---|---|---|---|---|---|
| **Remuneration** | | | | | | |
| Shri Ramniwas R Dhoot | - | - | NIL | - | - | NIL |
| | - | - | (45,88,886) | - | - | (45,88,886) |
| Shri Ajay R Dhoot | - | - | 38,81,250 | - | - | 38,81,250 |
| | - | - | (69,00,000) | - | - | (69,00,000) |
| Shri Aditya R Dhoot | - | - | 38,81,250 | - | - | 38,81,250 |
| | - | - | (69,00,000) | - | - | (69,00,000) |
| Mrs Priyanjali Malpani | - | - | - | 2,80,000 | - | 2,80,000 |
| | - | - | - | (6,00,000) | - | (6,00,000) |
| Mr Bakul K Desai (Chief Financial Officer) (Resigned w.e.f. 30/07/2020) | - | - | 3,90,786 | - | - | 3,90,786 |
| | - | - | (16,48,716) | - | - | (16,48,716) |
| Mr. Shantilal Surana (chief Financial Officer) (w.e.f. 29/01/2021) | - | - | 2,03,387 | - | - | 2,03,387 |
| | - | - | NIL | - | - | NIL |
| Mrs. Kanchan Shantilal Surana | - | - | - | 83,871 | - | 83,871 |
| | - | - | - | (NIL) | - | (NIL) |
| Mr. Vibhav Ranade (Company Secretary) (Resigned w.e.f. 19/11/2020) | - | - | 2,58,590 | - | - | 2,58,590 |
| | - | - | (6,81,502) | - | - | (6,81,502) |
| **Directors Sitting Fees** | | | | | | |
| Shri Ramdas T Rajguroo | | | 32,500 | | | 32,500 |
| | | | (39,850) | | | (39,850) |
| Mr.Prashant Pandit | | | 32,500 | | | 32,500 |
| | | | (NIL) | | | (NIL) |
| Mr.Praveen Saxena | | | 31,000 | | | 31,000 |
| | | | (13,000) | | | (13,000) |
| Ms.Dipali Pitale (Resigned w e f 21/02/2021) | | | 5,000 | | | 5,000 |
| | | | (15,000) | | | (15,000) |
| **Consultancy Fees** | | | | | | |
| Shri Ramdas T Rajguroo | - | - | 98,500 | - | - | 98,500 |
| | | | (1,00,000) | - | - | (1,00,000) |
| **Mrs. Beena Desai** | - | - | - | NIL | - | NIL |
| | | | | (9,00,900) | | (9,00,900) |
| Mr. Hitul Desai | - | - | - | NIL | - | NIL |
| | | | | (9,84,780) | | (9,84,780) |
| Mr. Siddharth Desai | - | - | - | NIL | - | NIL |
| | | | | (3,24,000) | | (3,24,000) |
| **Leasing or hire purchase arrangements** | | | | | | |
| Shri Ajay R Dhoot | - | - | 4,62,000 | - | - | 4,62,000 |
| | - | - | (4,32,086) | - | - | (4,32,086) |
| Shri Aditya R Dhoot | - | - | 4,62,000 | - | - | 4,62,000 |
| | - | - | (4,32,086) | - | - | (4,32,086) |

| | Subsidiaries | Associates | KMP | Relatives of KMP | Entities in which KMP / relatives of KMP have significant influence | Total |
|---|---|---|---|---|---|---|
| **Interest (**)** | | | | | | |
| Ramniwas R Dhoot | - | - | NIL | - | - | NIL |
| | | | (12,20,067) | | | (12,20,067) |
| Shri Ajay R Dhoot | | | | | | |
| | - | - | (30,400) | - | - | (30,400) |
| Shri Aditya R Dhoot | - | - | NIL | - | - | NIL |
| | - | - | (8,42,186) | - | - | (8,42,186) |
| Mrs Priyanjali Malpani | - | - | - | NIL | | NIL |
| | | | - | (5,02,599) | - | (5,02,599) |
| Mrs Smita A Dhoot | - | - | - | NIL | - | NIL |
| | - | - | - | (3,71,894) | | (3,71,894) |
| Shree Kishoriju Trading & Investments Private Limited | - | - | - | - | NIL | NIL |
| | - | - | - | - | (6,01,027) | (6,01,027) |
| **Significant influence over the entiry** | | | | | | |
| Industrial Meters Gratuity Fund | - | - | - | - | 17,30,297 | 17,30,297 |
| | - | - | - | - | (13,64,577) | (13,64,577) |
| **Warrant Application Money** | | | | | | |
| Advance Transformers & Equiments Private Limited | - | - | - | - | NIL | NIL |
| | - | - | - | - | (1,15,00,000) | (1,15,00,000) |
| Shree Kishoriju Trading & Investments Private Limited | - | - | - | - | NIL | NIL |
| | - | - | - | - | (43,12,500) | (43,12,500) |
| **Advance towards sales of goods** | | | | | | |
| Mangalam Drugs & Organics Limited (Net) | - | - | - | - | NIL | NIL |
| | - | - | - | - | (5,40,00,000) | (5,40,00,000) |
| **Balances outstanding at the end of the year** | | | | | | |
| Loans and advances | - | - | 3,35,85,424 | 45,71,935 | 6,36,22,372 | 10,17,79,731 |
| | - | - | | (68,72,900) | (6,87,81,841) | (10,00,53,391) |
| | | | (2,43,98,650) | | | |
| Advance for Expenses | | | | | 4,03,75,745 | 4,03,75,745 |
| | | | | | (3,84,24,975) | (3,84,24,975) |
| Retirement benefits payable | - | - | - | - | 80,16,316 | 80,16,316 |
| | | | | | (70,64,860) | (70,64,860) |
| | - | - | - | - | | |

Note: Figures in bracket pertains to the previous year

(**) Interest waived off during the Years

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**Note 36: Disclosures under Indian Accounting Standard (Ind- As)-33 : Earnings Per Share"**

| Note | Particulars | As at March 31, 2021 ₹ | As at March 31, 2020 ₹ |
|---|---|---|---|
| **36** | **Earnings per share** | | |
| | Weighted average number of equity shares outstanding | 86,36,563 | 86,36,563 |
| | Adjustment for Shares to be issued on convertation of Convertibe warrant into equity | - | 5,50,000 |
| | Adjusted Weightd avarage numbr of Shares | 86,36,563 | 91,86,563 |
| **36.a** | **Profit (Loss) after taxation as per Profit & Loss account attributable to Equity Shareholders** | | |
| | after adjusting dividend on preference shares before extraordinary items | (72,25,02,125) | (14,24,02,114.00) |
| | Earning Per Share (Basic) Before / After Extra-Ordinary item | (83.66) | (16.49) |
| | Earning Per Share (Diluted) Before / After Extra-Ordinary item | (83.66) | (15.50) |
| | Nominal Value per share | 10.00 | 10.00 |

**Note 37 Financial Instruments:**

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

| Particulars | Fair value through P&L | Fair value through OCI | At cost | Amortised cost | Total carrying and Fair value |
|---|---|---|---|---|---|
| Financial Assets | | | | | |
| Investment | - | - | - | 1,625 | 1,625 |
| Trade receivables | - | - | - | 91,70,50,367 | 91,70,50,367 |
| Cash and cash equivalents | - | - | - | 85,50,547 | 85,50,547 |
| Bank balances other than Cash and cash equivalents | - | - | - | 17,03,64,335 | 17,03,64,335 |
| Loans | - | - | - | 15,24,26,255 | 15,24,26,255 |
| **Total** | **-** | **-** | **-** | **1,24,83,93,129** | **1,24,83,93,129** |
| Financial Liabilities | | | | | |
| Borrowings | - | - | - | 2,19,58,43,124 | 2,19,58,43,124 |
| Trade payables | - | - | - | 68,79,72,210 | 68,79,72,210 |
| Other Financial Liabilities | - | - | - | 38,70,04,640 | 38,70,04,640 |
| **Total** | **-** | **-** | **-** | **3,27,08,19,974** | **3,27,08,19,974** |

The carrying value of financial instruments by categories as of March 31, 2020 is as follows:

| Particulars | Fair value through P&L | Fair value through OCI | At cost | Amortised cost | Total carrying and Fair value |
|---|---|---|---|---|---|
| Financial Assets | | | | | |
| Investments | - | - | - | 1,625 | 1,625 |
| Trade receivables | - | - | - | 93,57,59,747 | 93,57,59,747 |
| Cash and cash equivalents | - | - | - | 20,45,206 | 20,45,206 |
| Bank balances other than Cash and cash equivalents | - | - | - | 24,45,99,018 | 24,45,99,018 |
| Loans | - | - | - | 30,99,207 | 30,99,207 |
| **Total** | **-** | **-** | **-** | **1,18,55,04,803** | **1,18,55,04,803** |
| Financial Liabilities | | | | | |
| Borrowings | - | - | - | 1,32,02,82,884 | 1,32,02,82,884 |
| Trade payables | - | - | - | 1,04,22,34,528 | 1,04,22,34,528 |
| Other Financial Liabilities | - | - | - | 35,27,75,969 | 35,27,75,969 |
| **Total** | **-** | **-** | **-** | **2,71,52,93,381** | **2,71,52,93,381** |

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**Fair value hierarchy**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV and listed equity instruments are being valued at the closing prices on recognised stock exchange.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) 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. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**Note 38: Financial risk management objectives and policies**

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

The Company's financial risk management policy is set by the management. Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. The Company manages market risk which evaluates and exercises independent control over the entire process of market risk management. The management recommend risk management objectives and policies, which are approved by Senior Management and the Audit Committee.

**a. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk arises from cash held with banks as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. An impairment analysis is performed at each reporting date on an individual basis for major customers. The Company also hold security deposits for outstanding trade receivables. The history of trade receivables shows a negligible provision for bad and doubtful debts.

**b. Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**Maturitiesof financial liabilities**

The tables below analyze the company's financial liabilities into relevant maturity groupings based on their contractual maturities:

| Contractual maturities of financial liabilities as at March 31, 2021 | Total Carrying Value | On due within 1 year | Over 1 year Within 3 years | Over 3 year Within 5 years |
|---|---|---|---|---|
| Borrowings | 2,19,58,43,124 | 2,18,28,68,361 | 1,15,68,750 | 14,06,014 |
| Trade Payables | 68,79,72,210 | 68,79,72,210 | - | - |
| Other Financial Liabilities | 38,70,04,640 | 21,04,85,837 | 17,65,18,803 | - |
| **Total** | **3,27,08,19,974** | **3,08,13,26,408** | **18,80,87,553** | **14,06,014** |

| Contractual maturities of financial liabilities as at March 31, 2020 | Total Carrying Value | On due within 1 year | Over 1 year Within 3 years | Over 3 year Within 5 years |
|---|---|---|---|---|
| Borrowings | 1,32,02,82,884 | 1,28,09,45,692 | 1,78,01,435 | 24,26,659 |
| Trade Payables | 1,04,22,34,528 | 1,02,86,21,934 | - | - |
| Other Financial Liabilities | 35,27,75,969 | 16,11,49,683 | 19,16,26,286 | - |
| **Total** | **2,71,52,93,381** | **2,47,07,17,309** | **20,94,27,721** | **24,26,659** |

**c. Market risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities.

**d. Foreign exchange risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Company's foreign exchange risk arises from its foreign currency borrowings (primarily in USD). As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues measured in Indian rupees may decrease.

The following table sets forth information relating to foreign currency exposure (other than risk arising from derivatives disclosed below):

| **Particulars** | **As at March 31, 2021** | | As at March 31, 2020 | |
|---|---|---|---|---|
| | **USD/Euro** | **INR** | USD/Euro | INR |
| Foreign Currency Exposures (USD) | 3,29,689 | 2,42,33,712 | 3,02,877 | 2,10,75,735 |
| Foreign Currency Exposures (Euro) | - | - | 5,43,634 | 4,50,13,169 |
| **Total** | | **2,42,33,712** | | **6,60,88,904** |

The above foreign currency exposures are not hedged by the derivative instruments.

The sensitivity of profit or loss due to changes in the exchange rates arises mainly from non-derivative foreign currency denominated financial instruments (mainly financial instruments denominated in USD). The same is summarized as below:

| **Particulars** | **Impact on Profit** | |
|---|---|---|
| | **As at March 31,2021** | As at March 31,2020 |
| USD Sensitivity | | |
| INR / USD – Increase by 10% | (24,23,371) | (21,07,573) |
| INR / USD – Decrease by 10% | 24,23,371 | 21,07,573 |

## Notes to Consolidated Financial Statements for the year ended March 31 , 2021

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. However the company's exposure to foreign currency loan is of fixed interest rate.

The Company's investments in term deposits (i.e., margin money) with banks are for short durations, and therefore do not expose the Company to significant interest rates risk.

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

| Particulars | Impact on profit after tax | |
|---|---|---|
| | **As at March 31,2021** | As at March 31,2020 |
| Interest rates – increase by 10% | (3,02,45,977) | (2,01,66,549) |
| Interest rates – decrease by 10% | 3,02,45,977 | 2,01,66,549 |

**Note 39: Capital Management:**

**Risk Management:**

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**Note 40 :** The Holding Company has enter into an agreement to assign on February 21, 2020 for sale of its right title and interest in the property situated at Government Industrial Estate Charkop Kandivali (W), Mumbai -400 067for consideration of Rs.16.02 Cr subject to compliance of term & condition at stated in the agreement.

**Note 41:- The Group Company has considered the possible effects that may result from the COVID-19 pandemic in the preparation of these financial results including the recoverability of the carrying value of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of COVID-19, the Company has, at the date of approval of these financial results, used internal and external sources of information and expects that the carrying value of the assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of the same.**

**Note 42:-Exceptional Items includes**

i) Written down of Inventories :The Company has written down the customised cost of Material of Rs.2109.36 lakhs in semi finished goods on account of cancellation of orders by the vendors, at net realisable value and which has been subsequently utilised in the manufacturing of other finished goods.

ii) Short provision of warranty:Company has supplied the free replacement of materials of Rs.1914.18 lakhs to its customers on account of repairs and maintenance of transformers sold during the previous years which has been short provided in the earlier years.

**Note 43:** The Holding Company has approched its lenders for resolution of its credit facilities under suitable guidelines of Reserve Bank of India.

**Note 44 :** Trade Payable, receivables. Loans and advance balanceds are subject to conformation and reconcilation.

**Note 45 :** The Group Company is primarily engaged in the business of Electrical products like Power & Distribution Transformers, its parts and Hydro projects which together constitute a single segment accordance with in the Accounting Standard on "Segment Reporting (Ind AS 108)"

**Note 46** Previous year's figures have been regrouped / reclassified wherever necessary to confirm with the current year's classification.

The accompanying notes are an integral part of financial statements

For and on behalf of the Board of Directors

**As per our report annexed**
**For V.S. SOMANI AND Co.,**
Chartered Accountants
Firm Registration No.: 117589W

**CA Vidyadhar S Somani**
*Proprietor*
Membership No.: 102664

**AJAY R DHOOT**
*Vice Chairman*
Din 00210424

**ADITYA R DHOOT**
*Managing Director*
Din 00057224

Place:- Mumbai
Date:- 30.06.2021

**SHANTILAL SURANA**
*Chief Financial Officer*

**ANITA JAISWAL**
Company Secretary

If undelivered, please retuen to

**IMP POWERS LTD.**
263/3/2/2, Sayli Village,
Umerkoin Road,
Silvassa 396230,
Dadra & Nagar Haveli (U.T.)