Marine Electricals (India) Limited
B-1, Udyog Sadan-3, MIDC, Andheri (E), Mumbai-93, INDIA, Tel.: 91-22-40334300 Fax: 91-22-28364045 E-mail : info@marineelectricals.com
Website : www.marineelectricals.com CIN : L31907MH2007PLC176443 (Formerly known as Marine Electricals (I) Pvt. Ltd.)
ISO 9001:2015 ISO 14001:2015 OHSAS 18001:2007 CERTIFIED BY IRQS

Ref: MEIL/SEC/2023-24/39

Date: 1st September, 2023

To,
The National Stock Exchange of India Limited.
Exchange Plaza, 5th Floor, Plot No. C/1
G Block, Bandra- Kurla Complex,
Bandra (East), Mumbai – 400051
Symbol: MARINE
ISIN: INE01JE01028

Dear Sir/Madam,

Subject: Annual Report for Financial Year 2022-23

The 16th Annual General Meeting ("AGM") of the Company will be held on **Tuesday, 26th September, 2023 at 11:30 A.M. (I.S.T)** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Integrated Annual Report of the Company along with the Notice of AGM for the financial year 2022-23 which is being sent only through electronic mode to the Members.

The Integrated Annual Report containing the Notice is also uploaded on the Company's website at: https://www.marineelectricals.com/annual-report.html

You are requested to take the same on record & oblige.

Thanking You.

Yours faithfully,

For Marine Electricals (India) Limited

MITALI
VITHOBA
AMBRE

Digitally signed by MITALI VITHOBA AMBRE
Date: 2023.09.01 18:17:06 +05'30'

Ms.Mitali Ambre
Company Secretary and Compliance officer
ACS: 60296

Encl: As above

Marine Electricals

Leading **Innovation**, Powering **Progress**

Annual Report
2022-23

www.marineelectricals.com

Managing electrical distribution efficiently, reliably and safely is primary requirement of all business establishment, be it any Industry, Data Center or Commercial Building.

At Marine Electricals, we help our customers in different segments, across the world to manage complex power distribution and automation systems. Established in 1978, we have been associated with projects of varied criticality and complexity in all the major segments like Shipping, Oil & Gas, Chemicals, Pharmaceuticals, Automobile, Data Centers and Buildings. With time, we have extended our services in manufacturing and supplying electrical vehicle charging solutions. Also, we have started undertaking electrical packages for Naval and Commercial Ships.

We have vast pool of experts and experienced engineers in multi-disciplinary fields to develop new solutions and manage operations. Our manufacturing facilities, certified as per ISO9001, ISO14001 and ISO 45001, has latest state-of-the-art machinery, including CNC turrets & bending machines, automated powder coating plant and a huge assembly area to meet challenging project schedules.

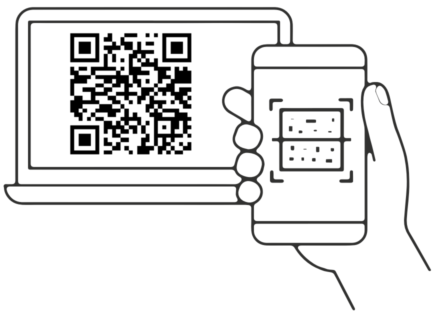
TABLE OF CONTENTS

Disclaimer : This document contains statements about expected future events and financials of Marine Electricals India Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

For more investor related information please visit

https://marineelectricals.com/index.html

Or simply Scan to view online version of the report



Message from Chairman's Desk

Mr. Vinay Uchil

Chairman and Executive Director
Marine Electricals (India) Limited

Dear Shareholders,

I am filled with gratitude and a sense of accomplishment. The financial year 2022-23 has been a period of immense challenges and remarkable achievements. The beginning of the year 2022-23 started on a positive note, with signs of economic recovery after the cataclysmic impact of the pandemic. However, this optimism was short-lived as the Russia-Ukraine conflict unleashed a wave of global uncertainties resulting in disruptions in the supply chain, surging commodity prices, heightened inflationary pressures, and escalating interest rates. Despite the global economic uncertainties and other challenges, your Company has delivered competitive, profitable and responsible results. I am pleased to share with you on behalf of our Board of Directors an update on your Company's performance for FY 2022-23. Our current order book position standing at Rs. 4820 million approximately at end of FY 2022- 2023 as compared to Rs. 3562 million in the FY 2021-2022, with the increase in portfolio of products to our customers we anticipate a further increase and robust order booking for FY 2023-24 as well. The Company's total revenue for the year stood at Rs. 3974.05 million as against Rs. 3283.88 million in the previous financial year. The net profit for the year increased by 56.47 % to Rs. 195.06 million as against Rs. 124.66 million in the previous financial year. Our continued focus on R&D on new product developments & indigenisation and innovative and creative adaptation to emerging situation and adaptive fiscal discipline to sustain, deliver, survive and grow should help us in maintaining our sales revenue and order book position growth

The core business of Marine Electricals is directly or indirectly impacted by the demands & opportunities, developments & investments, govt policies & Initiatives and visibility in the foreseeable future. As evident from the current GDP growth and 'Advantage India Factors' we have reasons to look forward to a positive business growth impact in the coming financial year as well. The Government of India has identified the power sector as a key sector of focus to promote sustained industrial growth. Electrification in the country is increasing with support from schemes like DeenDayal Upadhyay Gram Jyoti Yojana (DDUGJY), Ujwal DISCOM Assurance Yojana (UDAY), and Integrated Power Development Scheme (IPDS). In the current decade (2020-2029), the Indian electricity sector is likely to witness a major transformation with respect to demand growth, energy mix and market operations. India wants to ensure that everyone has reliable access to sufficient electricity at all times, while also accelerating the clean energy transition by lowering its reliance on dirty fossil fuels and moving toward more environmentally friendly, renewable sources of energy. Future investments will benefit from strong demand fundamentals, policy support and increasing government focus on infrastructure.

The Indian Navy is one of our premier clients for both defence and marine businesses. The "Make In India" movement of the Government has also catalyzed the shipyards and DPSUs to enhance the degree of indigenization in shipbuilding. More and more equipment are being brought into the indigenization umbrella. Enhanced percentage of indigenous content is also being encouraged. The vision of a 200 strong combat fleet by 2027 is also a catalyzer. In wake of the naval vision, warship construction has witnessed an unprecedented growth. This has been one of the significant growth impetus for Marine Electricals as well.

Message from Chairman’s Desk

Marine Electricals’ flagship equipment such as Integrated Bridge System, NAVCOM systems including navigation radars, Main Switchboard, assorted control panels, integrated monitoring and control systems and a host of data aggregation control systems for fire, flood and auxiliary machinery control systems are needed by all above ships. This forms a significant established business segment for the naval division of Marine Electricals. Our portfolio of Integrated Platform Management System (IPMS) is also expected to expand after impanelment of IHQ MoD (Navy) for warships.

With data consumption on the rise, cloud adoption accelerating, and technology demand soaring higher than ever before - Indian corporations are investing in massive leaps forward to meet an estimated 6 million square feet of required data center services development over the next three years. The government is ramping up its digital activities to improve the environment for data center services. An important goal of data localization is to keep 75% of data inside the nation. The Ministry of Electronics and Information Technology (MEITY) saw potential in the industry. So it developed a strategy for data centers in 2020, elevating them to a higher “infrastructure status” as roadways, rails, and electricity. This policy aims to streamline the approval procedure for data center services Your company has been providing critical power solutions to major players in the industry and is a preferred partner with many prominent data center operators in the country.

The rising fuel costs and growing climate change awareness is pushing individuals to go for greener mobility options provided by electric vehicles (EVs). The Government has also been actively promoting EV adoption through subsidies. As a result, EV sales are increasing at a high pace breakneck speed in India. With growing EV adoption, the Company is pioneering through its next-gen EV charging solutions which plans to cover segment of home, workplace, fleet, and captive charging (including e-Bus charging) through different model and approaches. It is also actively evaluating opportunities in the electric 3-wheeler and 2-wheeler charging market. During the year, the Company undertook several initiatives to promote EV charging solutions through its subsidiary Evigo Charge Private Ltd. The Company has entered into new collaborations with several Government and private bodies for EV charging solutions.

People continue to be the fulcrum of your Company’s operations. We have continued to drive organisational transformation and strengthening, in terms of talent at all levels, systems and processes and workplace culture. As part of our commitment to better corporate governance as well as professionalising the management.

Further, as a responsible organisation, we continue to work towards empowering communities near our operations by creating livelihoods, promoting health, wellness and education and social inclusion. We ensured sustained engagement with all stakeholders including employees, value chain partners and communities.

I thank all our stakeholders for their continued support. I am confident that we will achieve remarkable success in our future endeavours and I am certain that we will maintain our longstanding track record of superior performance, ultimately creating value for all our stakeholders.

Best Regards,

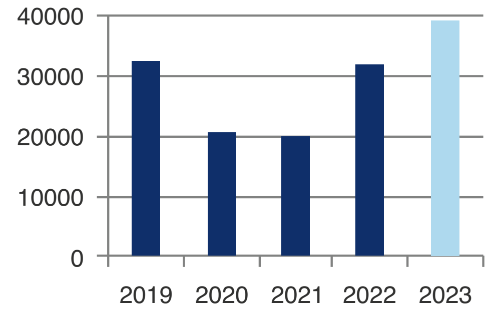
Mr. Vinay Uchil
Chairman & Executive Director

Financial Highlights

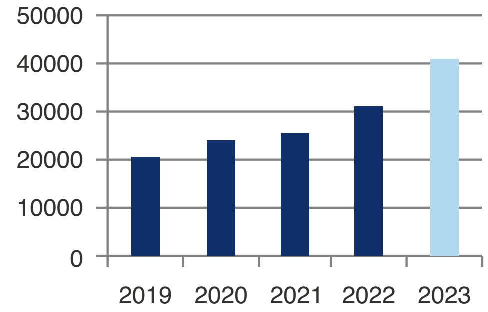
Standalone:

Year	Revenue (In Rs. Lacs)	EBITDA (In Rs. Lacs)	PAT (In Rs. Lacs)	Net Worth (In Rs. Lacs)
2019	32,323.03	2,072.46	777.72	12,064.64
2020	20,592.22	2,306.03	474.68	12,559.51
2021	19,987.37	2,622.74	782.85	13,387.59
2022	32,288.56	3,169.23	1,246.64	14,416.07
2023	39,127.13	4111.26	1950.62	18007.83

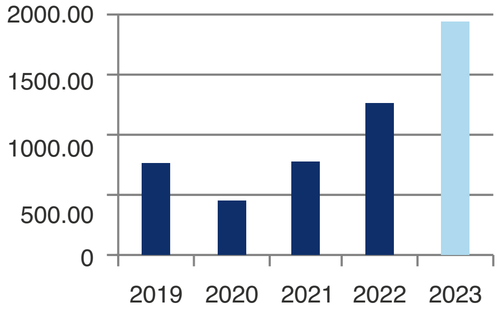
Revenue (₹ in Lacs)



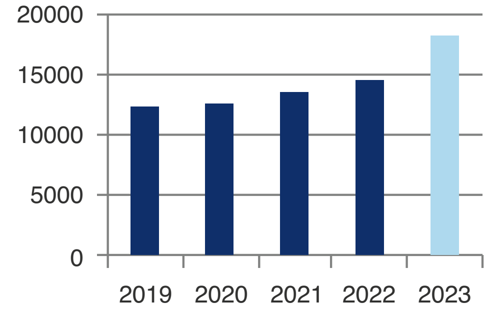
EBITDA (₹ in Lacs)



PAT (₹ In Lacs)



Net worth (₹ In Lacs)

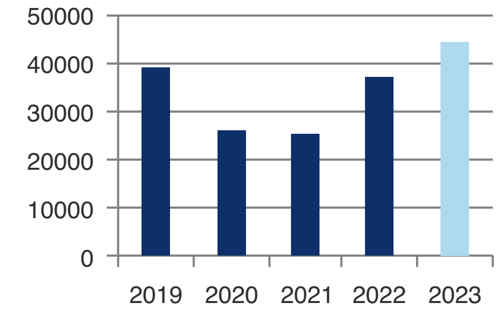


Financial Highlights

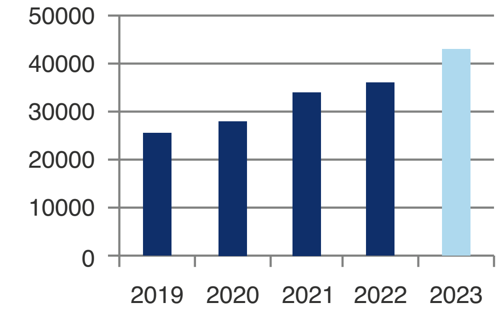
Consolidated:

Year	Revenue (In Rs. Lacs)	EBITDA (In Rs. Lacs)	PAT (In Rs. Lacs)	Net Worth (In Rs. Lacs)
2019	39,984.13	2,608.56	915.24	14,757.31
2020	26,292.52	2,837.84	911.81	15,609.90
2021	25,128.66	3,495.86	1,353.19	16,999.95
2022	37,632.86	3,609.24	1,327.82	18,158.95
2023	44,285.44	4,309.41	1,680.08	21,479.75

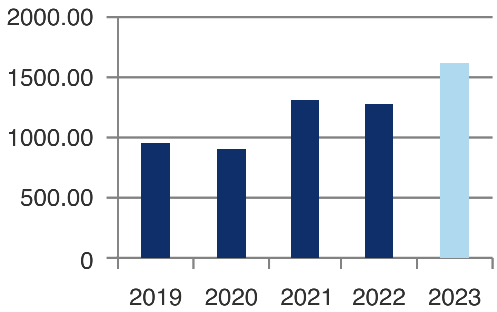
Revenue (₹ in Lacs)



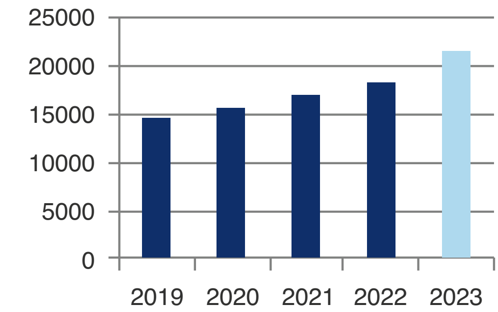
EBITDA (₹ in Lacs)



PAT (₹ In Lacs)



Net worth (₹ In Lacs)



Board Of Directors

Mr. Vinay Uchil

Chairman and Executive Director

Mr. Vinay Uchil, aged 52 years, is Chairman & Executive Director and Promoter of the Company. He has Bachelors Degree in Instrumentation from Swami Vivekananda College, Mumbai and MBA in Finance from Narsee Monjee Institute of Management. He has over Two Decades of experience in this Segment. He joined “M/s. Marine Electricals”, as a proprietorship concern in1995 and since then he is actively involved in Marketing, Finance and Administration functions of the Solar & Marine Division of the Organisation. Currently, he is involved in getting orders from Defense and Public sector undertakings dealing in Shipping. His contribution is instrumental in expanding the business of the Company and had taken business to a new height by diversifing into difference verticals i.e. Defense, Shipping, Marine & Non- Marine Sectors & Renewable Energy.

Mr. Venkatesh Uchil

Managing Director

Mr. Venkatesh Uchil, aged 45 years, is the Managing Director and Promoter of the Company. He has Bachelors Degree in Electronics and Telecommunication from University of Mumbai and Post Graduate Diploma in Management from S.P Jain Institute of Management, Mumbai. He has over two decades of experience in this Sector. He joined “M/s. Marine Electricals”, as a proprietorship concern in 2002 and since then he is actively involved in procurement, production and technical areas of the entity. He played an instrumental role in strategising and expanding the proprietorship concern to partnership firm and later a Company form of organisation. He started focusing on the marketing Division of the Company and got the orders from various industry / offices / Banks for automation, power management systems & control centers and electrification areas. He has actively participated in timely execution of the Industry orders. He has been guiding force behind the growth and business strategy of the Company

Board Of Directors

Mr. Shailendra Shukla

Executive Director (w.e.f 30th June, 2022)

Mr. Shailendra Kumar Shukla, aged 55 years, is the Executive Director (Change in Designation from Non Executive Non Independent Director to Executive Director w.e.f 30th June, 2022) on the Board of Company. He has Bachelors Degree in Electronics and Communications Engineering from University of Marathwada, Masters Degree in Administrative Management, Post Graduate Diploma in Weapon Control Systems from INS Valsura and Masters in Administration from Narsee Monjee Institute of Management Studies, Mumbai. Mr. Shukla has served at many Senior Level positions including Vice President and Managing Director in foreign Multinational Companies. He has around three decades of experience in Maritime, Technology and Defence Industries.

Mr. Madan Pendse

Non-Executive Independent Director

Mr. Madan Pendse, aged 72 years, is the Non-Executive Independent Director on the Board of Company. He has a Bachelor's Degree in Commerce and Master's Degree in Business Administration. Mr. Pendse has around four decades of experience in Finance and Accounts functions including 28 years in Mazagon Dock Limited (now known as Mazagon Dock Shipbuilders Limited) at various positions including General Manager (F&A).

Dr. Tanuja Pudhierkar

Non-Executive Non-Independent Director

Dr. Tanuja Pudhierkar, aged 50 years, is the Non Executive Non-Independent Director on the Board of Company. She is M. Din Obstetrics, & Gynecology from University of Mumbai and has also undergone various Diploma Courses such as Diploma in Gynecology & Obstetrics, Diploma in Artificial Reproductive Medicine, Diploma in Advanced Gynecological Endoscopy, Diploma in Specialised Advanced Gynecological Endoscopy. Further, she holds Bachelor's Degree of Medicine & Bachelor's Degree of Surgery (M.B.B.S.), from University of Mumbai. She has around two decades of experience in the field of Gynecology & Obstetrics. She was associated with various hospitals such as K.E.M Hospital, Nowrosjee Wadia Maternity Hospital, Cooper Hospital and has been a consultant Obstetrician & Gynaecologist at Oma Hospital, Cozy Clinique & Nursing Home and Dr. Shankar's Polyclinic.

Board Of Directors

Admiral Nikunj Mishra

Non-Executive Independent Director

Mr. Nikunj Mishra, aged 67 years, is the Non Executive Independent Director on the Board of Company. He has completed M.Tech (Computer Science) from IIT Bombay and PG Diploma in Business Management from IGNOU. He has around 38 years of experience including about 34 years of experience in India Navy at various levels and 4 years of experience in Hindustan Shipyard Limited as Chairman & Managing Director. He has been the Defence Attaché at Embassy of India, Rome. Further, He has been adjudged as the “Best Naval Cadet” at National Defence Academy, Pune and has Stood First in overall order of Merit at Naval Engineering Course and Advanced Electronics Engineering Course. He was also awarded “Nao Sena Medal” by the President of India for successful completion of Aircraft Carrier Modernisation in record time and was appreciated with many such awards in the year 2013-2014.

Mr. Vikas Jaywant

Non-Executive Independent Director

Mr. Vikas Jaywant, aged 65, is Non-Executive Independent Director on the Board of Company. He holds Bachelors Degree in Electrical Engineering (B.E. Electrical) and he has done his Masters in Marketing Management (MMM) from Jamnalal Bajaj Institute of Management Studies. He is a certified Energy Auditor and a Chartered Engineer. Mr. Vikas has over two decades of Work experience with companies like Crompton and Greaves and Schneider Electric Ltd. He is Promoter Director of Oasys Energy & Applied Technologies Pvt Ltd since 2014.

Mr. Mohan Rao

Non-Executive Independent Director

Mr. Mohan Rao, aged 75 Years, is Non-Executive Independent Director on the Board of Company. He holds Bachelors Degree in Science and he has done his Masters in Science (MSC) (Physics) from Mumbai University. He’s been on the Board of Companies like Konkan Barge Builders Pvt Ltd and Vipul Shipyard Pvt. Ltd. He was member of National Shipping Board constitutes by Ministry of Shipping in 2002 and also a member of High Powered Committee for drafting the National Shipping Policy for the First Time in 1996.

Board Of Directors

Ms. Archana Rajagopalan

Non-Executive Independent Director

Ms. Archana Venkata Rajagopalan, aged 51 years, is Non- Executive Independent Director on the Board of the Company. She is a Chartered Accountant, Certified Information Systems Auditor and holds a Diploma from Institute of Chartered accountants of India in Information Systems Audit. She earned her bachelor's degree in Commerce from Hyderabad and has over 20 years of experience in various roles and Industries. She began her career in the real estate sector, joining the Hiranandani Group of Companies and in the past has worked as Chief Operating Officer at a KPO, which was into offshore financial processes and publishing services, as Associate partner in IXCFO Services Private Limited. She is currently working as a full-time employee with HMS Vision.

Corporate Information

BOARD OF DIRECTORS

Mr. Vinay K Uchil
(Chairman and Executive Director)

Mr. Venkatesh K Uchil
(Managing Director)

Mr. Shailendra Shukla
(Executive Director w.e.f 30th June, 2022)

Dr. Tanuja Pudhierkar
(Non-Executive Non - Independent Director)

Mr. Madan Pendse
(Non-Executive Independent Director)

Mr. Nikunj Mishra
(Non-Executive Independent Director)

Mr. Vikas Jaywant
(Non-Executive Independent Director)

Mr. Mohan Rao
(Non-Executive Independent Director)

Ms. Archana Venkata Rajagopalan
(Non-Executive Independent Director)

STATUTORY AUDITOR

Saini Pati Shah & Co LLP
(formerly knows as S G J & Co.)
Chartered Accountants
D-207, Times Square, Near Marol Naka Metro Station, Andheri Kurla Road, Andheri (E) Mumbai - 400 059

SECRETARIAL AUDITOR

R. Bhandari & Co
CS Raghunath Bhandari
Company Secretaries
Office No. 9, 1st Floor, Behind "B" Wing, Pushp Vinod No. 1, S. V. Road, Borivali, Mumbai - 400 092.

REGISTRAR AND SHARE TRANSFER AGENTS

Bigshare Services Pvt. Ltd.
Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093
Website : www.bigshareonline.com
Tel No: 022-62638200 / 022-62638295
Email id: investor@bigshareonline.com

CHIEF FINANCIAL OFFICER

Mr. U. M. Bhakthavalsalan
(w.e.f. 4th August 2022)
Ms. Namita Sethia
(30th July, 2020 to 30th July, 2022)

BANKERS

Axis Bank

IndusInd Bank

ICICI Bank

State Bank of India

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Mitali Ambre (27th February, 2021)

SHARES LISTED ON

National Stock of Exchange of India Limited
Symbol: MARINE
ISIN: INE01JE01028

REGISTERED OFFICE ADDRESS

B/1, Udyog Sadan NO.3, MIDC, Andheri (E), Mumbai - 400 093

PLANT LOCATIONS

Mumbai Plant : B/1, Udyog Sadan NO. 3, MIDC, Andheri (E), Mumbai - 400 093

Goa Plant : Plot No. 17, 18 and Plot No. N-51, N-52, N-54, N-55, N-56, N-57, N-59, N-60 Verna Industrial Estate, Goa.

Notice

Notice is hereby given that the 16th Annual General Meeting (AGM) of Members of **Marine Electricals (India) Limited** (CIN: L31907MH2007PLC176443) (the 'Company') will be held on Tuesday, 26th September, 2023 at 11:30 A.M. (I.S.T) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. **ADOPTION OF ACCOUNTS :**

   To receive, consider and adopt the Audited Financial Statements of the Company (Standalone and Consolidated) for the financial year ended 31st March, 2023 together with the reports of the Board of Directors and the Auditors thereon.

2. **RETIREMENT BY ROTATION:**

   To appoint a Director in place of Dr. Tanuja Pudhierkar (DIN: 08190742), who retires by rotation and being eligible offers herself for re-appointment.

   To consider, and if thought fit to, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the Members of the Company be and is hereby accorded to re-appoint Dr. Tanuja Pudhierkar (DIN: 08190742) as Director, who is liable to retire by rotation."

3. **RE-APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY FOR A CONSECUTIVE TERM OF FIVE YEARS**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

   "RESOLVED THAT pursuant to provision of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification thereof for the time being in force and as may be enacted from time to time) and based on the recommendation of the Audit Committee and approval of the Board of Directors, approval of the members of the Company be and is hereby accorded for reappointment of Saini Pati Shah & Co LLP, Chartered Accountants as Statutory Auditors of the Company to hold office for further consecutive term of five years from the conclusion of 16th Annual General Meeting until the conclusion of 21st Annual General Meeting of the Company on such remuneration as may be mutually agreed upon between Mr. Vinay Uchil, Chairman & Executive Director of the Company and the Auditors plus reimbursement of service tax, travelling and out-of pocket expenses;

   RESOLVED FURTHER THAT Mr. Vinay Uchil, Chairman and Executive Director or Mr. Venkatesh Uchil, Managing Director or Ms. Mitali Ambre, Company Secretary and Compliance Officer of the Company be and are hereby severally authorized to do all acts and take all steps as may be necessary, proper or expedient to give effect to this resolution."

SPECIAL BUSINESS:

4. **TO CONSIDER RE-APPOINTMENT OF MS. ARCHANA VENKATA RAJAGOPALAN (DIN: 09077128) AS AN INDEPENDENT DIRECTOR FOR A SECOND AND FINAL TERM OF 5 (FIVE) YEARS EFFECTIVE FROM 23rd FEBRUARY, 2024 TILL 22nd FEBRUARY, 2029**

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

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and

Remuneration Committee and approval of the Board of Directors, the consent of the Shareholders be and is hereby accorded for the re-appointment of Ms. Archana Venkata Rajagopalan (DIN: 09077128) who was appointed as an Independent Director of the Company for a term of 3 years upto 22nd February, 2024 by the shareholders and in respect of whom the Company has received a notice in writing from the Director under Section 160 of the Companies Act, 2013 proposing her candidature for the office of a Director be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation for a second and final term of 5 (five) years effective immediately after expiry of her current term on 22nd February, 2024 i.e. from 23rd February, 2024 till 22ndFebruary, 2029.

RESOLVED FURTHER THAT the Chairman of the Company or Managing Director or Company Secretary be and are hereby severally authorised to do such acts, things, deed, matters in relation to the above resolution."

5. **TO APPROVE REVISION IN REMUNERATION OF MR. VINAY UCHIL (DIN: 01276871), CHAIRMAN & EXECUTIVE DIRECTOR OF THE COMPANY.**

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

"RESOLVED THAT pursuant to the provisions of Section 196,197, 198 and 203 read with Part I and Section I of Part II of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), Regulation 17(6) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015,(as amended from time to time) and applicable clauses of Articles of Association of the Company and on recommendation of the Nomination & Remuneration Committee and the Board of the Directors of the company, the consent of the members of the company be and is hereby accorded for revision in the remuneration of Mr. Vinay Uchil (DIN: 01276871), Chairman & Executive Director of the Company, w.e.f. 1st June, 2023 for his remaining tenure on the terms and conditions including remuneration as mentioned below:

Gross Salary: Rs. 75,00,000 /- per annum

(with the authority to the Board (which include the committee of the Board) to interchange the above heads in accordance with the overall limits of remuneration approved by the members)

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, Mr. Vinay Uchil shall be entitled to receive remuneration including perquisites, etc. upto the limit as approved by the members herein above, as minimum remuneration.

RESOLVED FURTHER THAT the Board shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as approved by the members.

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. Vinay Uchil be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law."

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such actions and steps, including delegation of authority as may be necessary and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required on behalf of the company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

6. **TO APPROVE REVISION IN REMUNERATION OF MR. VENKATESH UCHIL (DIN: 01282671), MANAGING DIRECTOR OF THE COMPANY.**

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

"RESOLVED THAT pursuant to the provisions of Section 196,197, 198 and 203 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), Regulation 17(6) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015,(as amended from time to time) and applicable clauses of Articles of Association of the Company and on recommendation of the Nomination & Remuneration Committee and the Board of the Directors of the company, consent of the members of the company be and is hereby accorded for revision in the remuneration of Mr. Venkatesh Uchil (DIN: 01282671), Managing Director of the Company, w.e.f. 1st June, 2023 for his remaining tenure on the terms and conditions including remuneration as mentioned below:

Gross Salary: Rs. 75,00,000/- per annum

(with the authority to the Board (which include the committee of the Board) to interchange the above heads in accordance with the overall limits of remuneration approved by the members)

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, Mr. Venkatesh Uchil shall be entitled to receive remuneration including perquisites, etc. upto the limit as approved by the members herein above, as minimum remuneration.

RESOLVED FURTHER THAT the Board shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as approved by the members.

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. Venkatesh Uchil be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law."

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such actions and steps, including delegation of authority as may be necessary and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required on behalf of the company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

7. APPROVE MATERIAL RELATED PARTY TRANSACTIONS

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

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 ("Act") read with the applicable rules issued under the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force), Regulation 23 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's Policy on "Materiality of Related Party Transactions and also on dealing with Related Party Transactions" and all other applicable laws and regulations, as amended, supplemented or re-enacted from time to time, and pursuant to the consent of the Audit Committee and the consent of the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to continue with the existing contract(s)/ arrangement(s)/ transaction(s) and/or enter into and/or carry out new contract(s) arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with below mentioned related parties ("Related Party"), relating to such transactions the details of which are more particularly set out in the explanatory statement of this Notice, provided that the aggregate amount/value of all such arrangements/transactions/contracts that may be entered into by the Company with the Related Party and remaining outstanding at any one point in time shall not exceed the limits mentioned below during any one financial year, provided that the said transactions are entered into/ carried out on arm's length basis and on such terms and conditions as may be considered appropriate by the Board of Directors (including any authorised Committee thereof);

Nature of Transaction	Name of related party	Name of the director or key managerial personnel [KMP] who is related, if any and nature of relationship	Value of proposed Transaction (Rs. In Crores)
Sale, supply of any goods, including raw materials, finished products, scrap and capital goods.	MEL Power Systems FZC is the subsidiary company of Marine Electricals (India) Limited (MEIL)	Mr. Vinay Uchil, Chairman & Executive Director, Mr. Venkatesh Uchil, Managing Director	30
Sale, supply of any goods, including raw materials, finished products, scrap and capital goods.	Xanatos Marine Ltd is the subsidiary company of Marine Electricals (India) Limited (MEIL)	Mr. Vinay Uchil, Chairman & Executive Director, Mr. Venkatesh Uchil, Managing Director	20
Sale, supply of any goods, including raw materials, finished products, scrap and capital goods.	Evigo Charge Private Limited is the subsidiary company of Marine Electricals (India) Limited (MEIL)	Mr. Vinay Uchil, Chairman & Executive Director, Mr. Venkatesh Uchil, Managing Director	30
Providing Security and/ or Corporate Guarantee for the proposed borrowings of subsidiary	Xanatos Marine Ltd is the subsidiary company of Marine Electricals (India) Limited (MEIL)	Mr. Vinay Uchil, Chairman & Executive Director, Mr. Venkatesh Uchil, Managing Director	20
Providing Security and/ or Corporate Guarantee for the proposed borrowings of subsidiary	Evigo Charge Private Limited is the subsidiary company of Marine Electricals (India) Limited (MEIL)	Mr. Vinay Uchil, Chairman & Executive Director, Mr. Venkatesh Uchil, Managing Director	30

RESOLVED FURTHER THAT all actions taken by the Board/Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any director(s), committee(s), executive(s), officer(s) or representatives(s) of the Company or to any other person to do all such acts, deeds, matters and things as may be considered necessary or expedient and also to execute such documents, writings etc. as may be necessary to give effect to this resolution.

8. TO CONSIDER AND APPROVE REVISED LIMITS FOR TRANSACTIONS UNDER SECTION 185 OF COMPANIES ACT, 2013

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

"RESOLVED THAT pursuant to the provisions of Sections 177, 179, 185, 186 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ['the Act'] and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and based on the recommendation of the Audit Committee and approval of the Board of Directors, approval of Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include, unless context requires otherwise, any committee thereof or any Director or Officer of the Company authorised by the Board to exercise the powers conferred on the Board under this resolution) to advance any loan(s) including any loan represented by a book debt (including to provide any guarantee/security in connection with the loan) to the subsidiary(ies) [including step-down subsidiary(ies)] of the Company or such other entity/person, in which any of the Director of the Company is interested or deemed to be interested (hereinafter referred as 'Borrowing companies') upto an aggregate amount not exceeding Rs. 350 Crores (Rupees Three Hundred and Fifty Crores only) outstanding at any point of time, excluding loan/guarantee/security exempted or to be exempted under the Act and other applicable laws, if any, in one or more tranches, from time to time, provided that such loan(s) is/are to be utilised by the Borrowing companies for their respective principal business activities only and such other details as mentioned in the explanatory statement.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Vinay Uchil, Chairman & Executive Director and/or Mr. Venkatesh Uchil, Managing director of the Company be and are hereby severally authorised to negotiate, finalise, vary, modify and agree to the terms and conditions of the aforesaid loan(s) including any loan represented by a book debt/to provide any guarantee/security in connection with the loan without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable in its absolute discretion.

NOTE:

1. Ministry of Corporate Affairs ("MCA") has vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020, Circular No. 02/2021 dated January 13, 2021 and General Circular 2/2022 dated May 5, 2022 followed by Circular No. 10/2022 and 11/2022 dated December 28, 2022 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 followed by Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 (collectively referred to as "SEBI Circulars") and all other relevant circulars issued from time to time, permitted the holding of AGM through VC/ OAVM, without physical presence of the Members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/ OAVM without the physical presence of the Members. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.

2. The relative Explanatory Statements, pursuant to Section 102 of the Act, in respect of the Special Business set out under Items No. 4 to 8 of the accompanying Notice are annexed hereto. As an additional information, the Explanatory Statement also contains material facts pertaining to ordinary business mentioned at Item No. 3 of the said Notice.

3. In terms of Section 152 of the Act, Dr. Tanuja Pudhierkar, Non Executive Non Independent Director, shall retire by rotation at the ensuing AGM. Dr. Tanuja Pudhierkar (DIN:8190742) being eligible, offers herself for re-appointment.

   The Board of Directors of the Company recommends re-appointment of Dr. Tanuja Pudhierkar.

4. In pursuance of Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, details in respect of the Director seeking appointment/re-appointment forms part of this Notice in **Annexure 1.**

5. In compliance with the aforesaid MCA Circulars and SEBI Circulars, the Notice calling the AGM and Annual Report 2022-23 has been uploaded on the website of the Company at https://www.marineelectricals.com/annual-report.html The Notice can also be accessed from the website of National Stock Exchange of India Limited (NSE) at www.nseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

6. Pursuant to the provisions of the Companies Act, 2013 ("Act") a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

Corporate Members are required to send, (before e-voting/ attending AGM) a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM, pursuant to section 113 of the Act on the e-mail id cs@marineelectricals.com not later than Monday, 25th September, 2023.

7. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote

8. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date of **Tuesday, 19th September, 2023.**

9. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at cs@marineelectricals.com from **Wednesday, 20th September, 2023 (9:00 a.m. IST) to Sunday, 24th September, 2023 (5:00 p.m. IST).** Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

10. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the above mentioned Circulars issued by the MCA 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 on the day of the AGM will be provided by NSDL.

11. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, 20th September, 2023 to Tuesday, 26th September, 2023 (both days inclusive)** for the purpose of Annual General Meeting (AGM).

12. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 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 Bigshare Services Private Limited, Company's Registrar and Share for assistance in this regard.

13. The Securities and Exchange Board of India (SEBI) has recently mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities. Effective from January 01, 2022, any service requests or complaints received from the member, will not be processed by RTA till the aforesaid details/ documents are provided to RTA. On or after April 01, 2023, in case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at https://www.marineelectricals.com/images/report/Furnishing-of-PAN-KYC-details-and-Nomination-by-holders-of-physical-securities.pdf

14. Members holding shares in dematerialized form are requested to notify any change in their addresses, bank details or e-mail address with their respective DP and those holding shares in physical form are requested to notify the RTA at the following address:

Bigshare Services Pvt. Ltd.
Office No. S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai - 400093
Tel No: 022-62638200/022-62638295
Email id: investor@bigshareonline.com

15. Members holding shares in physical form are advised to avail the Nomination facility in respect of their shares by filling the prescribed form. Members holding shares in electronic form may contact their DP for recording their Nomination.

16. Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") as amended from time to time, all unpaid or unclaimed dividends are required to the transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of IEPF Authority. The details of dividend paid by the Company and the corresponding due dates for transfer of uncashed dividend to IEPF are furnished hereunder:

Year ended	Interim / Final Dividend	Date of Declaration	Tentative Date for transfer to IEPF
31.03.2021	Final Dividend	28.09.2021	03.11.2028

Members who have not encashed the dividend so far in respect of the above financial year, are therefore, requested to make their claims to the Registrar & Transfer Agent of the Company or the Company at its Registered Office, with full details.

17. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

18. Members seeking any information with regard to the Accounts or any matter to be placed at the AGM, Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act and relevant documents referred to in the accompanying Notice and in the Explanatory Statement are requested to write to the Company on or before **Friday, 22nd September, 2023** through e-mail on cs@marinelectricals.com . The same will be replied by the Company suitably.

19. Members seeking any information with regard to any matters be placed at the AGM, are requested to write well in advance to the Company on the same will be replied by the Company suitably.

20. Voting through electronic means:

a. The remote e-voting period begins on **Friday, 22nd September, 2023 at 9.00 a.m. and ends on Monday, 25th September, 2023 at 5.00 pm** the remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Tuesday, 19th September, 2023** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Tuesday, 19th September, 2023.**

b. Members joining the meeting through VC, who have not already cast their votes by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.

c. The voting rights of the Members shall be in proportion to their shares in the paid-up share capital of the Company as on the cut-off date, being **Tuesday, 19th September, 2023**

d. 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. **Tuesday, 19th September, 2023** may obtain the login ID and password by sending a request at evoting@nsdl.co.in or 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. 18001020990 and 1800224 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 cutoff date i.e. **Tuesday, 19th September, 2023** may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

e. The Company has appointed Mr. Jigarkumar Gandhi, Proprietor of JNG & Co, Practicing Company Secretary (Membership No. 7569, COP: 8108) as the Scrutinizer to scrutinize the voting and remote e-Voting process in a fair and transparent manner.

f. The Scrutinizer shall, immediately after the conclusion of the AGM, count the votes cast at the AGM and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than two working days of the conclusion of the AGM to the Chairman or a person authorised by him. The Chairman or any other person authorised by the Chairman, shall declare the result of the voting forthwith.

g. The resolution will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolutions. The results declared along with the scrutinizers report shall be placed on the Company's website www.marineelectricals.com and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared by the Chairman.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1 Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider**

Type of shareholders	Login Method
	i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. 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. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/ Easiest, option to register is available at CDSL website www.cdslindia.comand click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. 2. Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on company name or e-Voting service provider, i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

<u>Login method for Individual shareholders holding securities in demat mode is given below:</u>

Login type	Helpdesk Details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

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

<u>How to Log-in to NSDL e-Voting website?</u>

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

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

   a) If you are already registered for e-Voting, then you can 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:

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

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

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

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

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

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

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

Step 2: Cast your vote electronically 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 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. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to jigar.gandhi@jngandco.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager 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 cs@marinelectricals.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 cs@marinelectricals.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.

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

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

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

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

2. Only those Members/ shareholders, who will be present in the EGM/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 EGM/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 EGM/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 EGM/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 EGM/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 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 (cs@marinelectricals.com) from **Wednesday, 20th September, 2023 (9:00 a.m. IST) to Sunday, 24th September, 2023 (5:00 p.m. IST).** The same will be replied by the company suitably.

In case of any grievances connected with facility for e-voting, please contact:

A. Ms. Pallavi Mhatre, Manager
E-voting Helpdesk
National Securities Depository Limited
Email: evoting@nsdl.co.in.
Phone: 022 - 24994545

B. Ms. Mitali Ambre, Company Secretary and Compliance Officer
Marine Electricals (India) Limited
Registered Address: B/1, Udyog Sadan NO.3, MIDC, Andheri (E), Mumbai - 400093
Email: cs@marineelectricals.com
Phone: 022 40334300

C. Mr. Bhagwan
Bigshare Services Pvt Ltd (RTA)
Registered Office:Office No S6-2, 6th floor Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai - 400093,
Email: bhagwan@bigshareonline.com
Phone: 022 62638200

By Order of the Board of Directors

Mr. Vinay Uchil
Chairman and Executive Director
DIN: 01276871

Mumbai, 11th August 2023
Registered Office:
B/1, Udyog Sadan NO.3, MIDC, Andheri (E), Mumbai - 400093
CIN : L31907MH2007PLC176443
Email ID : cs@marineelectricals.com
Website: www.marineelectricals.com
Tel. No : 91-22-4033 4300

Explanatory Statement pursuant to Section 102 of the Act

Pursuant to Regulation 36(3) of the Listing Regulations read with Section 102 of the Act, statement sets out all material facts relating to certain Ordinary Business and Special Business as mentioned in the accompanying Notice

Item No. 3

Though not mandatory, this explanation is provided for reference. Saini Pati Shah & Co LLP, Chartered Accountants were appointed as the Statutory auditors of the Company for a period of 5 years in the Annual General Meeting (AGM) held on 31st August 2018. Their term will end at the conclusion of this AGM. Hence, the Company hereby placed this resolution for re-appointment of Statutory Auditors for a further term of 5 years to hold office from the conclusion of 16th AGM until the conclusion of 21st AGM of the Company on such remuneration as may be mutually agreed upon between Mr. Vinay Uchil, Chairman & Executive Director of the Company and the Auditors plus reimbursement of service tax, travelling and out-of pocket expenses.The Board recommends the resolution at Item No. 3 for approval by the members. None of the Directors or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.3 of the Notice.

Item No. 4

Ms. Archana Venkata Rajagopalan (DIN: 09077128) was appointed as Independent Woman Director on the Board of the Company under the Companies Act 2013 w.e.f. 23rd February, 2021. Her first term of three years is getting completed on 22nd February, 2024.

Ms. Archana Venkata Rajagopalan, aged 51 years, is a Chartered Accountant, Certified Information Systems Auditor and holds a Diploma from Institute of Chartered accountants of India in Information Systems Audit. She earned her bachelor's degree in Commerce from Hyderabad and has over 20 years of experience in various roles and Industries. She began her career in the real estate sector, joining the Hiranandani Group of Companies and in the past has worked as Chief Operating Officer at a KPO, which was into offshore financial processes and publishing services, as Associate partner in IXCFO Services Private Limited. She is currently working as a full-time employee with HMS Vision. Her contributions to board's discussions and decisions on various strategic matters especially on financial and investment related areas have been significant and beneficial to the Company.

Her re-appointment proposal is in line with the Company's policy on Director's appointment and remuneration and she shall not be liable to retire by rotation at the Annual General Meeting as provided under Section 152(6) of the Companies Act, 2013. She continues to fulfil the conditions for re-appointment as an Independent Director as specified in the Act and SEBI LODR. Ms. Archana Rajagopalan is not disqualified from being appointed as a Director in terms of section 164 of the Act and has consented for her re-appointment.

The Company has received a declaration from her that she meets with the criteria of independence as prescribed both under Section 149(6) of the Act and provisions of SEBI LODR, has registered with the Independent Director Databank maintained by Indian Institute of Corporate Affairs (IICA) and has passed the requisite proficiency test.

In the opinion of Board, Ms. Archana Rajagopalan fulfils the conditions for re-appointment as an Independent Director as specified in the relevant provisions of the Act and SEBI LODR and she is independent of management of the Company. Other information relating to her re-appointment in accordance with Secretarial Standard - SS-2 and Regulation 36(3) of SEBI LODR is annexed to the Notice.

The terms and conditions of re-appointment as an Independent Director is available for inspection by members at the registered office of the Company during the working hours up to the date of AGM and also on the investor section of website of the Company www.marineelectricals.com. Her re-appointment will also be governed by the policy of the Company as applicable to the Board of Directors.

Ms. Archana Venkata Rajagopalan is interested in the resolution as it relates to her own appointment. None of the other Directors and KMP of the Company and their relatives are concerned or interested, financial or otherwise in this resolution, except to the extent of their shareholding, if any, in the Company. The Board recommends passing the resolution as set out at item no. 4 of this notice as a special resolution.

Item No 5:

Mr. Vinay Uchil, Chairman and Executive Director of the Company, being a techno commercial, he joined the Organization in the year 1995 and is actively involved in Marketing, Finance and Administration functions of the company. He started his career after completing B.E. in Instrumentation from Swami Vivekananda College, Mumbai in 1992 and thereafter completed MBA (Finance) from Narsee Monjee Institute of Management Studies in the year 1994.

Due to his sustained efforts the Company has achieved greater heights. He has wholesome exposure on all aspects of business of the Company and under his able leadership, Company is constantly thriving to improve upon its R&D capabilities and cost-effective manufacturing processes and thereby continuing to be the manufacturer with highest quality standards in the fields of electrical automation and information and communication technology solutions.

Based on the recommendations of the Nomination and Remuneration Committee and having considered the contribution of Mr. Vinay Uchil, Chairman and Executive Director in terms of leadership, strategy formulation and execution, financial planning, maintaining relations both with the board and external entities, improving the turnovers and profitability of the Marine and Navy segment of the Company, the Board in its meeting held on 29.05.2023 revised and increased the remuneration of the Chairman & Executive Director with effect from 01.06.2023 as mentioned in the resolution. The Board of Directors recommends the passing of the above resolution as a Special Resolution set out in the item no. 5.

None of the other Directors /Key Managerial Personnel and their relatives except Mr. Vinay Uchil, Chairman and Executive Director and his relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

Information in accordance with Schedule V of Companies Act, 2013

I. GENERAL INFORMATION

Nature of Industry: Ship Building, Navy, Industries, Buildings, Solar Energy

Date or expected date of commencement of commercial: The Company started its commercial operations in the year 1978.

In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable

Financial performance based on given indications

Particulars	2022-23 (Rs. in Lakhs)	2021-22 (Rs. in Lakhs)	2020-21 (Rs. in Lakhs)
Turnover	39,127.13	32,288.56	19,987.37
Net profit after Tax	1,950.62	1,246.64	782.85

Foreign investments or collaborations, if any: Not Applicable

II. INFORMATION ABOUT THE APPOINTEE:

	Background Details: Mr. Vinay Uchil, a techno commercial, joined the Organization in the year 1995 and is actively involved in Marketing, Finance and Administration functions of the company. He started his career after completing B.E. in Instrumentation from Swami Vivekananda College, Mumbai in 1995 and thereafter completed MBA (Finance) from Narsee Monjee Institute of Management Studies in the year 1994. He is actively involved in getting the orders from Defense and Public sector undertakings dealing in Shipping. He was instrumental in expanding the business of the company to a new height by diversification of the business into different verticals i.e. Defense, Shipping, Marine & Non- Marine Sectors & Renewable Energy. Timely delivery / execution of the contract is his major focus and hence he ensures that all the contracts undertaken has been executed timely. More than 600 persons (skilled & Semi Skilled) are working under his leadership.
	Past Remuneration: The remuneration drawn by Mr. Vinay Uchil, Chairman and Executive Director was Rs. 60 Lakhs /- per annum.

	Recognition or awards: NA
	Job Profile and his suitability: Mr. Vinay Uchil is the promoter of the Company and has a vast experience in Ship Building, Navy, Industries, Buildings, Solar Energy. He shall be responsible for the overall management affairs of the company.
	Remuneration proposed: As set out in the resolutions for the Item No. 5 the remuneration to Mr. Vinay Uchil, Chairman and Executive Director has the approval of the Nomination and Remuneration Committee and Board of Directors.
	Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): Taking into consideration of the size of the Company, the profile of Mr. Vinay Uchil, Chairman and Executive Director and the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.
	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: Besides the remuneration proposed, he is holding 7,29,000 Equity Shares of the Company.

III. OTHER INFORMATION:

	Steps taken or proposed to be taken for improvement: Necessary efforts are being made to increase the production and efficiency which in turn will add to the growth of the business as well as the profitability.
	Expected increase in productivity and profit in measurable terms: The company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that financial position of the company will increase considerably in the coming years.

IV. Diclosures

Sr. No.	Particulars	Disclosures
1.	Remuneration package	As mentioned in the Special Resolution

Item No 6:

Mr. Venkatesh Uchil, Managing Director of the Company, joined the organization in 2002 and was actively involved in procurement, production and technical areas of the company. He has completed his Bachelor in Engineering in Electronics and Telecommunications from Parshvanath College of Engineering, Mumbai in the year 1999 and Post Graduate Diploma in Management from S. P. Jain Institute of Management, Mumbai in the year 2002.

Due to his sustained efforts the Company has achieved greater heights. He has wholesome exposure on all aspects of business of the Company especially concentrating on requirements of entire electrical distribution and automation for Industry, data Centers and infrastructure segments.

Based on the recommendations of the Nomination and Remuneration Committee and having considered the contribution of Mr. Venkatesh Uchil, Managing Director in terms of leadership, strategy formulation and execution, financial planning, maintaining relations both with the board and external entities, improving the turnovers and profitability of the Industry segment of the Company, the Board in its meeting held on 29.05.2023 revised and increased the remuneration of the Managing Director with effect from 01.06.2023 as mentioned in the resolution. The Board of Directors recommends the passing of the above resolution as a Special Resolution set out in the item no. 6.

None of the other Directors /Key Managerial Personnel and their relatives except Mr. Venkatesh Uchil, Managing Director and his relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

Information in accordance with Schedule V of Companies Act, 2013

I. GENERAL INFORMATION

Nature of Industry: Ship Building, Navy, Industries, Buildings, Solar Energy

Date or expected date of commencement of commercial: The Company started its commercial operations in the year 1978.

In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable

Financial performance based on given indications

Particulars	2022-23 (Rs. in Lakhs)	2021-22 (Rs. in Lakhs)	2020-21 (Rs. in Lakhs)
Turnover	39,127.13	32,288.56	19,987.37
Net profit after Tax	1,950.62	1,246.64	782.85

Foreign investments or collaborations, if any: Not Applicable

II. INFORMATION ABOUT THE APPOINTEE:

	Background Details: Mr. Venkatesh Uchil joined the organization in 2002 and was actively involved in procurement, production and technical areas of the company. He has completed his Bachelor in Engineering in Electronics and Telecommunications from Parshvanath College of Engineering, Mumbai in the year 1999 and Post Graduate Diploma in Management from S. P. Jain Institute of Management, Mumbai in the year 2002. He is instrumental in developing the Non- Marine business of the Organization and started marketing in Industry Sectors and grabbed the orders from various industry / offices / Banks for automation, power management systems & control centers and electrification areas. He also got the Company registered with Delhi Metro for electrification and automation installation and now dealing with Mumbai Metro. His active participation in grabbing and timely execution of the Industry orders. He ensures that the quality control standards are not compromised under any circumstances over and above timely execution.
	Past Remuneration: The remuneration drawn by Mr. Venkatesh Uchil, Managing Director was Rs. 60 Lakhs /- per annum.
	Recognition or awards: NA

	Job Profile and his suitability: Mr. Venkatesh Uchil, is the promoter of the Company and He has Actively Participated in timely execution of the Industry Orders, the company achieved substantial part of the turnover from Industry Sector in the year 2023. He has been guiding force behind the growth and business strategy of our Company. He will also look after the day today management of the Company.
	Remuneration proposed: As set out in the resolutions for the Item No. 6 the remuneration to Mr. Venkatesh Uchil, Managing Director has the approval of the Nomination and Remuneration Committee and Board of Directors.
	Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): Taking into consideration of the size of the Company, the profile of Mr. Venkatesh Uchil, Managing Director and the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.
	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: Besides the remuneration proposed, he is holding 2,77,72,375 Equity Shares of the Company.

III. Other Information:

	Steps taken or proposed to be taken for improvement: Necessary efforts are being made to increase the production and efficiency which in turn will add to the growth of the business as well as the profitability.
	Expected increase in productivity and profit in measurable terms: The company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that financial position of the company will increase considerably in the coming years.

IV. Disclosure

Sr. No.	Particulars	Disclosures
1.	Remuneration package	As mentioned in the Special Resolution

Item No 7:

Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as “the Listing Regulations”), all Related Party Transactions shall require prior approval of the Audit Committee and all material transactions with related parties shall require approval of the Members of the Company through a resolution and all related parties shall abstain from voting on such resolution.

“Material Related Party Transaction” under the Listing Regulations means any transaction(s) entered into individually or taken together with previous transactions during a financial year exceeding 10% of the annual consolidated turnover of a company as per its last audited financial statements.

The annual consolidated turnover of the Company for the financial year 2022-23 is INR 442.85 Crores. Accordingly, any transaction(s) by the Company with its related party exceeding INR 44.28 Crores (10% of the Company's annual consolidated turnover) shall be considered as material transaction and hence, the approval of the Members will be required for the same.

This necessitates prior approval of the Shareholders for certain Related Party Transactions of the Company considered material under the provisions of the said Regulation 23, and hence Resolutions at item no. 7 of this Notice.

Given the nature of business of the Company, the Company works closely with its related parties (including subsidiaries and other group companies) to achieve its business objectives and enters into various operational transactions with its related parties, from time to time, in the ordinary course of business and on arm's length basis. Members may importantly note that the Company has been undertaking transactions of similar nature with the said related parties in the past financial years, in the ordinary course of business and on arms' length after obtaining requisite approvals from the Audit Committee of the Company, these transactions not only help smoothen business operations between the group companies, but also ensure consistent flow of desired quality and quantity of facilities without interruptions and generation of revenue and business between the group companies to cater to their business requirements.

It is proposed to give guarantee(s) and/or provide security(ies) in connection with loan to be taken by Xanatos Marine Ltd and Evigo Charge Private Ltd, subsidiaries of the Company for the purpose of capital expenditure of the projects and/or working capital requirements and other general corporate purposes as may be required from time to time for its principal business activities and other matters connected and incidental thereto, within the limits as mentioned in the Item no. 7 of the notice.

The maximum annual value of the proposed transactions with aforesaid related parties is estimated on the basis of Company's current transactions with them and future business projections. The Company has a process in place to review and certify that all transactions are at arm's length and are priced appropriately.

The Audit Committee and Board of Directors of the Company at its meeting dated 11th August, 2023 had approved Material Related Party Transactions with various Related Parties subject to Shareholder's approval.

Pursuant to Regulation 23 of the Listing Regulations, members may also note that no related party of the Company shall vote to approve the resolutions no. 7 whether the entity is a Related Party to the particular transaction or not.

The relevant details of the Related party Transactions are annexed to the notice in **ANNEXURE 2**

Item No 8:

Pursuant to Section 185 of the Companies Act, 2013 ("the Act"), a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity (said entity(ies) covered under the category of 'a person in whom any of the director of the Company is interested' as specified in the explanation to Section 185(2)(b) of the Companies Act, 2013, after passing a Special Resolution in the general meeting.

It is proposed to give loan(s) including loan represented by way of Book Debt to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan taken/to be taken by the Subsidiary Companies or Associate or Joint Venture or group entity or any other person in whom any of the Director of the Company is deemed to be interested as specified in the explanation to Section 185(2)(b) of the Act (collectively referred to as the "Entities"), from time to time, for the purpose of capital expenditure of the projects and/or working capital requirements and other general corporate purposes as may be required from time to time for its principal business activities and other matters connected and incidental thereto, within the limits as mentioned in the Item no. 8 of the notice.

The members may note that Board of Directors would carefully evaluate the proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, and the proposed loan shall be at such rate of interest as agreed by the parties in the best interest of the Company and shall be used by the borrowing company for its principal business activities only.

Notice

The Board of Directors recommend the resolution set forth in Item no. 8 of the notice for your approval as a Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the said resolution except to the extent of their shareholding in the Company, if any.

By Order of the Board of Directors

Mr. Vinay Uchil
Chairman and Executive Director
DIN: 01276871

Mumbai, 11th August 2023
Registered Office:
B/1, Udyog Sadan NO.3, MIDC, Andheri (E), Mumbai - 400093
CIN : L31907MH2007PLC176443
Email ID : cs@marineelectricals.com
Website: www.marineelectricals.com
Tel. No : 91-22-4033 4300

ANNEXURE 1

DETAILS OF DIRECTORS PROPOSED TO BE RETIRED BY ROTATION /APPOINTED / RE-APPOINTED AT THE FORTHCOMING AGM AS REQUIRED BY REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("LISTING REGULATIONS") AND SECRETARIAL STANDARDS ON GENERAL MEETINGS (SS – 2)

Name of Director	**Dr. Tanuja Pudhierkar**	**Ms. Archana Venkata Rajagopalan**
DIN	08190742	09077128
Date of 1st Appointment	01/08/2018	23/02/2021
Date of birth and Age	27/01/1973 and 50 Years	11/06/1972 and 51 Years
Qualification	Dr. Tanuja Pudhierkar holds Bachelor's Degree of Medicine & Bachelor's Degree of Surgery (M.B.B.S.), from Seth G. S. Medical College & She is M. D. in Obstetrics,& Gynecology K E M Hospital, University of Mumbai.	Ms. Archana Venkata Rajagopalan, aged 51 years, is a Chartered Accountant, Certified Information Systems Auditor and holds a Diploma from Institute of Chartered accountants of India in Information Systems Audit. She earned her bachelor's degree in Commerce from Hyderabad and has over 20 years of experience in various roles and Industries. She began her career in the real estate sector, joining the Hiranandani Group of Companies and in the past has worked as Chief Operating Officer at a KPO, which was into offshore financial processes and publishing services, as Associate partner in IXCFO Services Private Limited. She is currently working as a full-time employee with HMS Vision.
Experience:	Over 2 decades	Over 2 decades
Terms and conditions of re-appointment along with details of remuneration sought to be paid	Non Executive Non Independent Director, liable to retire by rotation	Non Executive Independent Director, not liable to retire by rotation
Last Drawn Remuneration:	NIL	NIL
Relationship with Other Directors, Manager and Other Key Managerial Personnel of the Company:	Dr. Tanuja Pudhierkar is sister of Mr. Vinay Uchil and Mr. Venkatesh Uchil	None
Shareholding in the Company (Individually or Jointly):	1000	NIL
Number of Meetings of the Board Attended during the Year:	As mentioned in Corporate Governance Report	As mentioned in Corporate Governance Report
Directorship and Committee Memberships (Excluding Marine Electricals (India) Limited)	As mentioned in Corporate Governance Report	As mentioned in Corporate Governance Report
Justification for choosing the appointees for appointment as Independent Directors	Relevant experience and expertise	Relevant experience and expertise

ANNEXURE 2

DETAILS OF MATERIAL RELATED PARTY TRANSACTIONS ENTERED / TO BE ENTERED BETWEEN THE SUBSIDIARIES OF MARINE ELECTRICALS (INDIA) LIMITED IN TERMS OF THE SEBI CIRCULAR DATED NOVEMBER 22, 2021.

Type, material terms and particulars of the proposed transaction	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest	Name of the director or key managerial personnel [KMP] who is related, if any and nature of relationship	Tenure of the proposed transaction	Value of proposed Transaction (Rs. in Crores)	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	Whether valuation or other external party report relied upon	Justification as to why the RPT is in the interest of the listed entity	Any other information that may be relevant
Sale, supply of any goods, including raw materials, finished products, scrap and capital goods.	MEL Power Systems FZC is the subsidiary company of Marine Electricals (India) Limited (MEIL)	Mr. Vinay Uchil, Chairman & Executive Director, Mr. Venkatesh Uchil, Managing Director	1 year (FY 2023-24)	30	6.77% of the annual consolidated turnover of the Company for the FY ended March 31, 2023. 263.85 % of the annual standalone turnover of MEL Power Systems FZC for the FY ended March 31, 2023.	NA	Smoothen business operations for both the companies	The transactions are in the ordinary course of business and at Arm's Length basis
Sale, supply of any goods, including raw materials, finished products, scrap and capital goods.	Xanatos Marine Ltd is the subsidiary company of Marine Electricals (India) Limited (MEIL)	Mr. Vinay Uchil, Chairman & Executive Director, Mr. Venkatesh Uchil, Managing Director	1 year (FY 2023-24)	20	4.51% of the annual consolidated turnover of the Company for the FY ended March 31, 2023. Xanatos Marine Ltd did not have revenue from operations for the FY ended March 31, 2023.	NA	Smoothen business operations for both the companies	The transactions are in the ordinary course of business and at Arm's Length basis
Sale, supply of any goods, including raw materials, finished products, scrap and capital goods.	Evigo Charge Private Limited is the subsidiary company of Marine Electricals (India) Limited (MEIL)	Mr. Vinay Uchil, Chairman & Executive Director, Mr. Venkatesh Uchil, Managing Director	1 year (FY 2023-24)	30	6.77% of the annual consolidated turnover of the Company for the FY ended March 31, 2023. 2133.71 % of the annual standalone turnover of Evigo Charge Private Limited for the FY ended March 31, 2023.	NA	Smoothen business operations for both the companies	The transactions are in the ordinary course of business and at Arm's Length basis
Providing Security and/ or Corporate Guarantee for the proposed borrowings of subsidiary	Xanatos Marine Ltd is the subsidiary company of Marine Electricals (India) Limited (MEIL)	Mr. Vinay Uchil, Chairman & Executive Director, Mr. Venkatesh Uchil, Managing Director	The Security and/ or Corporate Guarantee shall be valid till repayment of loan by the subsidiary.	20	4.51% of the annual consolidated turnover of the Company for the FY ended March 31, 2023. Xanatos Marine Ltd. did not have revenue from operations for the FY ended March 31, 2023.	NA	Holding company support to Subsidiaries	All important information forms part of the Explanatory Statement of this Notice
Providing Security and/ or Corporate Guarantee for the proposed borrowings of subsidiary	Evigo Charge Private Limited is the subsidiary company of Marine Electricals (India) Limited (MEIL)	Mr. Vinay Uchil, Chairman & Executive Director, Mr. Venkatesh Uchil, Managing Director	The Security and/ or Corporate Guarantee shall be valid till repayment of loan by the subsidiary.	30	6.77% of the annual consolidated turnover of the Company for the FY ended March 31, 2023. 2133.71 % of the annual standalone turnover of Evigo Charge Private Limited for the FY ended March 31, 2023.	NA	Holding company support to Subsidiaries	All important information forms part of the Explanatory Statement of this Notice

Additional Disclosure:

Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary, the details specified under point 4(f) above: NA

By Order of the Board of Directors

Mr. Vinay Uchil
Chairman and Executive Director
DIN: 01276871

Mumbai, 11th August 2023

Registered Office:
B/1, Udyog Sadan NO.3, MIDC, Andheri (E), Mumbai - 400093
CIN : L31907MH2007PLC176443
Email ID : cs@marineelectricals.com
Website: www.marineelectricals.com
Tel. No : 91-22-4033 4300

To,
The Members,
Marine Electricals (India) Ltd.

Your Directors are pleased to present the 16th Annual Report on business and operations of your Company together with the Audited Financial Statements (standalone and consolidated) for the financial year ended 31st March, 2023 and the report of the Auditors thereon.

1. FINANCIAL SUMMARY AND HIGHLIGHTS:

Certain key aspects of your Company's Financial's performance on a Standalone and Consolidated basis during the financial year ended 31stMarch, 2023 as compared to the previous financial year are summarized below:

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	Year Ended 31.03.2023	Year Ended 31.03.2022	Year Ended 31.03.2023	Year Ended 31.03.2022
Total income	39,740.53	32,838.79	44,738.01	38,118.20
Expenses	35,629.27	29,669.57	40,428.6	34,506.55
Profit before Interest, Depreciation and Taxation	4,111.26	3,169.22	4,309.41	3,606.81
Interest and bank charges	862.15	645.18	994.13	728.14
Depreciation and Amortization	612.57	760.33	807.99	934.63
Profit before tax	2,636.54	1,763.71	2,507.29	1,944.04
Less: Provision for current tax & deferred tax	(685.92)	(517.02)	(827.21)	(616.23)
Profit after taxation	1950.62	1,246.64	1,680.08	1,327.82
Profit for the carried to Reserves	-	-	-	-

*Previous year/period ended figures have been regrouped/rearranged/reclassified wherever necessary to make it comparable.

2. FINANCIAL PERFORMANCE AND STATE OF THE COMPANY'S AFFAIRS

Operating Results and Profits

The commitment of the Company to cater to the aspirations of its valued customers, sustained efforts in creating the right teams and culture and embedding innovation, technology and sustainability at the core of its business has resulted in your Company achieving an improved financial performance through better volumes, improved product mix and cost savings.

Standalone: The standalone revenue from operation of your Company for the year is Rs. 39,127.13 Lakhs as against Rs. 32,288.56 Lakhs in the previous financial year. Total exports revenue was Rs. 4,969.64 Lakhs as against Rs. 2,895.18 Lakhs in the previous year.

The standalone net profit for the year increased by 56.47 % to Rs. 1,950.62 as against Rs. 1,246.64 Lakhs in the previous financial year.

Consolidated: The Consolidated revenue from operation of your Company for the year is Rs. 44,285.44 as against Rs. 37,632.86 Lakhs in the previous financial year. The Consolidated net profit for the year is Rs. 1,680.08 as against Rs. 1,327.82 Lakhs in previous year

3. **FINANCE AND CREDIT RATINGS:**

The ratings factor in the Company’s healthy order book position which provides adequate revenue visibility in the near term. The ratings continue to draw comfort from company’s established position and track record of providing integrated electrical solutions to the marine and industry sectors. The Company has maintained sufficient liquidity at all times to navigate the impact of external challenges. For long term ratings - ““ICRA BBB" with "Stable" outlook; reaffirmed. For the Short ratings –“ICRA A3+”; reaffirmed. The Stable outlook on ICRA BBB rating reflects that the company will continue to benefit from its established position in the industry as well as its healthy order book position

4. **CONSOLIDATED FINANCIAL STATEMENTS:**

As stipulated under the provisions of the Act and the Listing Regulations, the Consolidated Financial Statements have been prepared by the Company in accordance with the applicable Accounting Standards issued by Institute of Chartered Accountants of India [ICAI]. The Audited Consolidated Financial Statement together with Auditors’ Report forms part of the Annual Report.

During the year, the Board of Directors reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of the Act, read with Schedule III of the Act and Rules made thereunder, including Indian Accounting Standards specified under Section 133 of the Act. The audited consolidated Financial Statements together with the Auditors’ Report thereon forms part of the Annual Report the Company.

The audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on Company’s website https://www.marineelectricals.com/financial-results-outcome.html. These documents will also be available for inspection during working hours at the Registered Office of the Company.

Performance and contribution of each of the Subsidiaries, Associates and Joint Ventures as per Rule 8 of Company’s (Accounts) Rules, 2014, a report on the Financial performance of Subsidiaries, Associates and Joint Venture Companies along with their contribution to the overall performance of the Company during the Financial Year ended 31st March, 2023 is annexed to this Board’s report in form **AOC 1**.

5. **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There were no material changes and commitments affecting the financial position of the Company which have occurred during the year under review.

6. **CHANGE IN THE NATURE OF BUSINESS ACTIVITIES:**

There has been no change in the nature of business of your Company during the year under review.

7. **DIVIDEND**

With a view to conserve the resources of the Company, your directors do not recommend any dividend for the financial year ended 31st March, 2023.

8. **DIVIDEND DISTRIBUTION POLICY:**

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI Listing Regulations], the Board of Directors of the Company has adopted the Dividend Distribution Policy (‘the Policy’). The Policy is available on the Company’s website at https://www.marineelectricals.com/images/policies/Dividend-Distribution-Policy.pdf

9. **TRANSFER TO RESERVES:**

There is no amount proposed to be transferred to Reserves out of profit for the financial year 2022-23.

10. PREFERENTIAL ISSUE

Pursuant to the approval of the Board at its meeting held on 22nd August, 2022 and approval of the members of the Company at their Annual General Meeting ('AGM') held on 19th September. 2022, upon receipt of 25% of the issue price per warrant (i.e. Rs. 7.3125 per warrant) as upfront payment ("Warrant Subscription Price"), the Company on 30th September, 2022 has allotted 1,00,00,000 (One Crore) warrants, on preferential basis to the Promoter/Promoter Group of the Company and certain identified non-promoter persons/entity, at a price of Rs. 29.25 each payable in cash ("Warrant Issue Price"). Each warrant, so allotted, is convertible into one fully paid-up equity share of the Company having face value of Rs. 2 (Rupee Two only) each in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, on payment of the balance consideration of Rs. 21.9375 per warrant ("Warrant Exercise Price"), being 75% of the issue price per warrant from the Allottees pursuant to exercise of conversion option against each such warrant, within 18 months from the date of allotment of warrants. During the year under review, the Company has received balance 75% of the issue price from three promoter allottees of the company, the Company made an allotment of total of 36,50,000 Equity shares out of which 20,00,000 Equity shares were allotted to KDU Enterprises Private Ltd on 23rd February, 2023, 6,50,000 equity shares were allotted to Mr. Vinay Uchil, Chairman & Promoter and 10,00,000 equity shares were allotted to Mr. Venkatesh Uchil, MD & Promoter on 6th March, 2023 upon on conversion of Warrants held by them.

For the remaining 63,50,000 warrants, the respective allottees have not yet exercised their option for conversion of the warrants into equity shares and accordingly, balance 75% money towards such remaining warrants is yet to be received as on 31st March, 2023.

The details of utilization of funds are given hereunder:

Particulars	Amount in Lakhs
Funds raised through allotment of 1,00,00,000 warrants on 30.09.2022 (A)	Rs. 731.25
Funds raised through allotment of 36,50,000 fully paid-up equity shares against conversion of equal number of warrants during the financial year.(B)	Rs. 800.72
Total Funds raised and available for utilization till 31st March 2023 (A+B)	Rs. 1,531.97
Funds utilized during the year ended 31st March 2023	Rs. 1,531.97

There is no deviation or variation in the use of proceeds from the preferential issue of warrants, from the objects as stated in the Explanatory Statement to the Notice of the AGM dated 19th September, 2022.

11. SHARE CAPITAL AND CHANGES IN IT:

• Authorized Share Capital:

The Authorized Share Capital of the Company is Rs. 30,00,00,000.00/- (Rupees Thirty Crores Only) divided into 15,00,00,000 (Fifteen Crores Only) equity shares of Rs. 2/- (Rupees Two Only) each. There has been no change in the Authorized Share Capital of the Company during the financial year.

• Issued and Paid Up Share Capital:

During the year under review, the Company has issued and allotted 1,00,00,000 Warrants of Rs. 29.25 /- each convertible into 1,00,00,000 equity shares of Rs. 2.00 /- each with a premium of Rs. 27.25 /- to promoter and Non-promoter allottees, convertible within 18 months from the date of allotment of warrants, in accordance with SEBI (ICDR) Regulations, 2018 and in terms of the Board approval at its meeting held on 22nd August, 2022 and approval of the members of the Company at their Annual General Meeting ('AGM') held on 19th September. 2022. The said Warrants were issued subjected to the condition that an amount equivalent to at least 25% of the price shall become payable on or before the date of allotment of warrants and balance amount shall be paid before Conversion of warrants into equity shares. Upon receipt of the 25% of issue price from the proposed allottees, the above mentioned Warrants were allotted by the Company on 30th September, 2022.

Consequently, on receipt of the balance 75% of the issue price from three promoter allottees of the company, the Company made an allotment of total of 36,50,000 Equity shares out of which 20,00,000 Equity shares were allotted to KDU Enterprises Private Ltd on 23rd February, 2023, 6,50,000 equity shares were allotted to Mr. Vinay Uchil, Chairman & Promoter and 10,00,000 equity shares were allotted to Mr. Venkatesh Uchil, MD & Promoter on 6th March, 2023 on conversion of Warrants held by them.

The Company has received Listing and Trading Approval for 36,50,000 Equity shares from National Stock Exchange of India.

As on the date of the this Report, the paid up, issued and subscribed capital of the Company stands increased to Rs. 25,26,30,500 /- (Twenty Five Crore Twenty Six Lakh Thirty Thousand and Five Hundred only) comprising of 12,63,15,250 (Twelve Crore Sixty Three Lakh Fifteen Thousand and Two Hundred and Fifty only) equity shares of Rs. 2/- (Rupees Two Only) each.

The Company has not issued shares with differential voting rights or sweat equity shares.

12. HOLDING, SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES:

The Company is having total 1 (one) Holding Company and 5 (Five) subsidiaries including step down subsidiary. There are no associate or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

A statement containing salient features of the financial statements of the subsidiary companies in Form AOC-1, is annexed to this report as **Annexure A.**

12.1. Holding Company

KDU Enterprises Private Limited (Indian Company) (CIN: U31401MH1982PTC027850) is the "Holding Company". During the year, 20,00,000 equity shares were allotted to the holding company pursuant to conversion of warrants held by them. As at the end of the financial year 2022-23, holding Company's shareholding stands increased to 6,54,06,875 fully paid-up equity shares of Rs. 2/- each.

12.2. Domestic Subsidiaries

The Company has 2 (two) Indian Subsidiaries i.e. Eltech Engineers Madras Private Limited (CIN: U29142TN1996PTC036500) and Evigo Charge Private Ltd (formally known as Evigo Charging Consultants Private Ltd) (CIN No. U74999MH2018PTC317824)

However, above mentioned Subsidiaries are not material subsidiaries as per the thresholds of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations").

12.3. Foreign subsidiaries

The Company has 3 (three) foreign subsidiaries including 1 (one) step down subsidiary i.e MEL Powers FZC located in UAE, Xanatos Marine Ltd, located in Kelowna, British Columbia, Canada and STI Company SRL located in Italy.

During the year under review, the company has made investment in 75% of shares of Xanatos Marine Limited and acquired Xanatos Marine Limited as a subsidiary of the company pursuant to the approval of Board obtained in the Board Meeting held on 22nd October, 2021.

The Policy for determining material subsidiaries as approved may be accessed on the Company's website https://www.marineelectricals.com/images/policies/Policy-on-Material-Subsidiaries.pdf

During the year under review, there are no significant transactions and arrangements entered into by the Company with the Subsidiary

13. **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

As per Regulation 34(2) read with Schedule V of the SEBI (Listing Regulations) LODR, 2015 and amendments thereto the Management Discussion and Analysis Report forms part of this Annual Report which gives a detailed information of state of affairs of the operations of the Company and its subsidiaries.

14. **CORPORATE GOVERNANCE REPORT:**

Pursuant to Regulation 34 of the SEBI Listing Regulations, Report on Corporate Governance along with the certificate from a Practicing Company Secretary Mr. Jigar Kumar Gandhi, proprietor of JNG & Co. certifying compliance with conditions of Corporate Governance, is annexed to this Annual Report.

15. **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

15.1 Board of Directors

a) Composition

The Board of Directors of the Company, at present, comprises of total 9 Directors, who have wide and varied experience in different disciplines of corporate functioning. The present composition of the Board consists of One Chairman and Executive Director, One Managing Director, One Executive Director, One Non-executive Non-Independent Director and five Non-Executive Independent Director (including 1 Woman Non-Executive Independent Director).The constitution of the Board of Directors of the Company is in accordance with Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, as amended from time to time.

The details are as below:-

Name of the Director	DIN	Category of Directorship
Vinay Krishna Uchil	01276871	Chairman and Executive Director
Venkatesh Krishnappa Uchil	01282671	Managing Director
Mohan Rao	02592294	Non-Executive Independent Director
Nikunj Kishore Mishra	03589730	Non-Executive Independent Director
Vikas Manohar Jaywant	06607484	Non-Executive Independent Director
Madan Gopal Pendse	07650301	Non-Executive Independent Director
Shailendra Kumar Shukla	08049885	Executive Director
Tanuja Deepak Pudhierkar	08190742	Non-executive Non-Independent Director
Archana Venkata Rajagopalan	09077128	Non-Executive Independent Director

b) Appointment / Re-appointment

As reported in the previous year,the following Re-appointments were made in the 15th AGM held on 19th September, 2022.

- **Mr. Madan Pendse (DIN: 07650301)** was re- appointed as an Non Executive (Independent) Director of the Company, not liable to retire by rotation, for a second and final term of 3 (three) years effective from 11th July, 2023 till 10th July, 2026 and continuation of directorship after attainment of 75 years of age.

- **Mr. Nikunj Mishra (DIN: 03589730)** was re- appointed as an Non - Executive (Independent) Director of the Company, not liable to retire by rotation, for a second and final term of 5 (five) years effective from 11th July, 2023 till 10th July, 2028.

- **Mr. Mohan Rao (DIN: 02592294)**was re- appointed as an Non - Executive (Independent) Director of the Company, not liable to retire by rotation, for a second and final term of 3 (three) years effective from 30th May, 2023 till 29th May, 2026 and continuation of directorship after attainment of 75 years of age.

Also in the previous year,Mr. Shailendra Shukla's (DIN: 08049885) Designation was changed from Non Executive Non Independent Director to Executive Director which was approved by the members in the AGM held on 19th September, 2022.

At the forthcoming AGM approval of the Members will be sought for the Re-appointment of Ms. Archana Rajagopalan as Independent Director of the Company for a second and final term of 5 (five) years effective immediately after expiry of her current term on 22nd February, 2024 i.e. from 23rd February, 2024 till 22nd February, 2029.

c) Retirement by Rotation

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the relevant rules made thereunder, at least two–thirds of the total number of directors (excluding independent directors) shall be liable to retire by rotation. Accordingly, Dr. Tanuja Deepak Pudhierkar (DIN 08190742), being the longest in the office amongst the directors is liable to retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, have offered her candidature for re–appointment.

Brief details of Dr. Tanuja Deepak Pudhierkar (DIN 08190742), Director, who is seeking re–appointment is given in the notice of annual general meeting.

The disclosures required pursuant to Regulation 36 of the SEBI Listing Regulations and the Secretarial Standards on General Meeting ('SS-2') are given in the Notice of this AGM, forming part of the Annual Report.

d) Independent Directors

In terms of Section 149 of the Act and SEBI Listing Regulations, Mr. Madan Pendse, Mr. Vikas Jaywant, Mr. Nikunj Mishra, Mr. Mohan Rao & Ms. Archana Venkata Rajagopalan are the Independent Directors of the Company as on date of this report.

All Independent Directors of the Company have given requisite declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act alongwith Rules framed thereunder, Regulation 16(1)(b) of SEBI Listing Regulations and have complied with the Code of Conduct of the Company as applicable to the Board of directors and Senior Managers.

In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Company has received confirmation from all the Independent Directors of their registration on the Independent Directors Database maintained by the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act as well as the Rules made thereunder and are independent of the management.

15.2 Key Managerial Personnel (KMP)

The Key Managerial Personnel (KMP) of the Company, at present, comprises of Managing Director, Chairman & Executive Director, Chief Financial officer and Company Secretary.

The details are as below:-

Sr. No	Particulars	Designation	Appointment Date
1	Mr. Vinay K. Uchil	Chairman & Executive Director	04/12/2007
2	Mr. Venkatesh K. Uchil	Managing Director	04/12/2007
3	Mr. UM Bhakthavalsalan	Chief Financial Officer	04/08/2022
4	Ms. Mitali Ambre	Company Secretary & Compliance Officer	27/02/2021

During the year under review, Ms. Namita Sethia tendered her resignation from the post of Chief Financial Officer with effect from 30th July, 2022. Mr. UM Bhakthavalsalan was appointed as Chief Financial Officer in the Board Meeting held on 4th August, 2022.

16. BOARD MEETINGS:

The Board met Six (6) times during the financial year 2022-23 viz 27th May, 2022; 4th August, 2022; 22nd August, 2022; 30th September, 2022, 14th November, 2022 and 13th February, 2023. The necessary quorum was present for all the board meetings. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. The meeting details are provided in Corporate Governance Report, forming part of this Annual Report.

17. COMMITTEES OF THE BOARD:

As on March 31, 2023, the Board had 6 (Six) Committees viz:

(i) Audit Committee,

(ii) Nomination and Remuneration Committee,

(iii) Stakeholders' Relationship Committee,

(iv) Corporate Social Responsibility Committee

(v) Risk Management Committee and

(vi) General purpose Committee.

Detail report on composition of Committees, term of reference of the committee, number of meetings held during the year and the changes in the composition during the year are provided in Corporate Governance Report forming part of this Annual Report.

18. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has conducted familiarisation programmes for the Independent Directors of the Company covering the matters as specified in Regulation 25(7) of the Listing Regulations. The details of the Familiarisation Programme undertaken by the Company during the FY 2022-23 is mentioned in the Corporate Governance Report which is part of this Annual Report and is also available on the website of the Company at: https://www.marineelectricals.com/images/policies/Familiarization-Programme.pdf

19. PARTICULARS OF REMUNERATION

Disclosure pertaining to remuneration and other details as required under section 197 (12) of the act read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as "**Annexure B**" to this Report.

20. DECLARATION BY INDEPENDENT DIRECTORS:

The Board has received the declaration from all the Independent Directors as per the Section 149(7) of the Companies Act, 2013 and the Board is satisfied that all the Independent Directors meet the criteria of independence as mentioned in Section 149(6) of the Companies Act, 2013, read with the Schedules and Rules issued there under, as well as SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

21. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Pursuant to the provisions of Section 178 of the Act, and in terms of Regulation 19 read with Part D of Schedule-II of the SEBI Listing Regulations, the Company has a Nomination and Remuneration Policy for its Directors, Key Managerial Personnel and Senior Management which also provides for the diversity of the Board and provides the mechanism for performance evaluation of the Directors and the said Policy was amended from time to time and may be accessed on the Company's website at the following link at
https://www.marineelectricals.com/images/policies/Nomination-n-Remuneration.pdf

22. ANNUAL EVALUATION AND PERFORMANCE OF THE BOARD:

The annual evaluation process of the Board of Directors, Individual Directors and Committees was conducted in accordance with the provisions of the Act and the SEBI Listing Regulations. The Board evaluated its performance after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

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

In a separate meeting of independent directors held on 13th February, 2023 the performance of Non-Independent Directors and the Board as a whole was evaluated. Additionally, they also evaluated the Chairman of the Board, taking into account the views of Executive and Non-executive Directors in the aforesaid meeting. The Board also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The above evaluations were then discussed in the Board meeting and performance evaluation of Independent directors was done by the entire Board, excluding the Independent Director being evaluated.

23. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to sub-section 5 of Section 134 of the Companies Act, 2013, the Directors confirm that:

a) in the preparation of the annual accounts for the Financial Year ended 31st March, 2023 the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on 31st March, 2023 and of the profit of the company for that period;

c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) the directors had prepared the annual accounts for Financial Year ended 31stMarch, 2023 on a going concern basis; and

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, the details in respect of adequacy of internal financial controls with reference to the Financial Statements, have been mentioned subsequently in this report.

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

24. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

In accordance with the Listing Regulations, a certificate has been received from JNG & Co, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been disqualified to act as Director. The same is annexed herewith as **Annexure C.**

25. RELATED PARTY TRANSACTIONS:

The related party transactions that were entered into by the Company during the financial year 2022-23, were on arm's length basis. Further, no material related party transactions were entered into by the Company during the financial year 2022-23. The disclosure under Section 134(3)(h) read with Section 188 (2) of the Act in form AOC-2 is given in **Annexure D** forming part of this Report.

There have been no materially significant related party transactions entered into by the Company which may conflict with the interests of the Company at large.

The details of the transaction with related parties during FY 2022-23 are provided in the accompanying financial statements.

The Policy on materiality of related party transactions and on dealing with related party transactions as approved by the Board in terms of Regulation 23 of the SEBI Listing Regulations is posted on the website of the Company and can be accessed through the following link: https://www.marineelectricals.com/images/policies/Policy-on-Materiality-of-Related-Party-Transaction-and-Dealing-with-Related-Parties.pdf.

26. RISK MANAGEMENT:

The Company has formed Risk Management Committee and also laid down the procedures to inform the Board about the risk assessment and minimization procedures and the Board has formulated Risk Management Policy to ensure that the Board, its Audit Committee and its management should collectively identify the risks impacting the Company's business and document their process of risk identification, risk minimization, risk optimization as a part of a risk management policy strategy. At present there is no identifiable risk which, in the opinion of the Board may threaten the existence of the Company. The details of composition and terms of reference and meetings of the Risk Management Committee are provided in Corporate Governance Report forming part of this Annual Report

Policy relating to Risk Management can be accessed on company's website viz:
https://www.marineelectricals.com/images/policies/Risk-Management-Policy-under-New-Companies-Act-GIL.pdf

27. VIGIL MECHANISM:

- Vigil Mechanism (Whistle Blower Policy) and Code of Conduct

Creating a fraud and corruption free culture has always been the core factor of your Company. In view of the potential risk of fraud, corruption and unethical behavior that could adversely impact the Company's business operations, performance and reputation, Marine Electricals (India) Limited has emphasized even more on addressing these risks. To meet this objective, a comprehensive vigil mechanism named Whistle Blower Policy, in compliance with the provisions of Section 177(10) of the Act and Listing Regulations, is in place. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and posted on the website of the Company at https://www.marineelectricals.com/images/policies/Vigil-Mechanism-Policy.pdf

During the year, no personnel of the Company was denied access to the Audit Committee and no complaints were received.

- Code of Conduct to Regulate, Monitor and report trading by Insiders

In terms of SEBI (Prohibitions of Insider Trading) Regulations, 2015, as amended from time to time, the Company has adopted a Revised Code of Conduct for Prevention of Insider Trading (Insider Code) as approved by the Company's Board. Any Insiders (as defined in Insider Code) including designated employees & persons and their relatives are, inter-alia, prohibited from trading in the shares and securities of the Company or counsel any person during any period when the "unpublished price sensitive information" are available with them.

The Insider Code also requires pre-clearance for dealing in the Company's shares and prohibits dealing in Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The policy on Code of Conduct for Prevention of Insider Trading Regulations, 2015 is available on the website of the Company at:
https://www.marineelectricals.com/images/policies/Policy-on-Code-of-Conduct-for-Prevention-of-Insider-Trading.pdf

28. INTERNAL CONTROL WITH REFERENCE TO FINANCIAL STATEMENTS:

The Company has in place adequate internal financial control with reference to financial statements.

The Company has adopted accounting policies which are in line with Section 133 and other applicable provisions, if any, of the Act read together with the Companies (Indian Accounting Standards) Rules, 2015.

The Company in preparing its financial statements makes judgments and estimates based on sound policies and uses external agencies to verify/ validate them as and when appropriate. The basis of such judgments and estimates are also approved by the Statutory Auditors and Audit Committee.

The Internal Auditor evaluates the efficacy and adequacy of internal control system, accounting procedures and policies adopted by the Company for efficient conduct of its business, adherence to Company's policies, safeguarding of Company's assets, prevention and detection of frauds and errors and timely preparation of reliable financial information etc. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Internal Financial Control

As per Section 134(5)(e) of the Companies Act, 2013, Internal Financial Control means the policies and procedures adopted by the Company for ensuring:

- accuracy and completeness of the accounting records
- safeguarding of its assets, prevention and detection of fraud and error
- orderly and efficient conduct of business operations including adherence to the company's policies
- timely preparation of reliable financial information

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors, including audit of internal financial controls over financial reporting, and the reviews performed by management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls was adequate and operating effectively as on March 31st, 2023. During the year under review, no material or serious observation has been observed for inefficiency or inadequacy of such controls.

29. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is appended as **Annexure E** to this Report.

30. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT:

During the reporting period, your Company has not granted any Loans, Guarantees, Investments and Security in violation of Section 186 and Section 185 of the Companies Act, 2013 and rules made thereunder. The details of loans granted, and investments made during the year under review, covered under the provisions of Section 186 of the Act, are provided in the notes to the financial statements of the Company forming part of this Annual Report.

31. EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Returns of the Company as on March 31, 2023 prepared in accordance with Section 92(1) of the Companies Act, 2013 read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company and is accessible at the weblink: https://www.marineelectricals.com/annual-report.html

32. AUDITORS AND REPORTS:

A. Statutory Auditors

The current statutory auditor Saini Pati Shah & Co LLP (Formerly known as SGJ & Co), Chartered Accountants registered with the Institute of Chartered Accountants of India vide registration number 137904W / W100622 were appointed as Statutory Auditors for a period of 5 years in the AGM held on 31st August, 2018.

The term of Saini Pati Shah & Co LLP, Chartered Accountants as Statutory Auditors of the Company for a period of five years is getting expired in the ensuing 16th Annual General Meeting. Further, the Board of Directors in its meeting held on 29thMay, 2023, have recommended their re-appointment for second and final term of 5 years from the conclusion of 16thAnnual General Meeting until the conclusion of 21st Annual General Meeting of the Company. In this regard, the Company has received a Certificate from the Auditors to the effect that their continuation as Statutory Auditors, would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

There are no qualifications, reservations or adverse remarks or disclaimers made by Statutory Auditor of the Company, in audit report for the financial year ended 31st March, 2023.

B. Internal Auditor

The Board of Directors at its meeting held on 27th May, 2022 had appointed IRA & Associates (Formerly known as SMSD & Co), Chartered Accountants as Internal Auditor for Financial Year 2022-23 .The audit observations placed in the Internal Audit Report by the Internal Auditors were duly noted by the management and corrective actions thereon are periodically presented to the Audit Committee and Board of Directors of the Company. The Board of Directors in its Board Meeting held on 29th May, 2023, based on the recommendation of the Audit Committee re-appointed IRA & Associates, Chartered Accountants (formerly known as M/s. SMSD & Co, Chartered Accountants) to carry out the Internal Audit of the Company for the Financial Year 2023-24.

C. Secretarial Auditor

Section 204 of the Act, inter-alia requires every listed company to undertake Secretarial Audit and annex with its Board's Report a Secretarial Audit Report given by a Company Secretary in practice in the prescribed form.

In line with the requirement of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of the Listing Regulations and other applicable provisions, if any, the Board of Directors of the Company had appointed M/s. R. Bhandari & Co.,Practicing Company Secretaries in Whole-time Practice, to carry out Secretarial Audit for the financial year 2022-23. The Board of Directors in its Board Meeting held on 29th May, 2023 on the recommendation of the Audit Committee re-appointed M/s. R. Bhandari & Co.,Practicing Company Secretaries to carry out the Secretarial Audit of the Company for the Financial Year 2023-24

The Secretarial Audit Report for the financial year ended 31st March, 2023 are annexed as **Annexure F** to this Report. As per the report, Company has complied with all the provisions of the Act, Rules, Regulations, Guidelines, Standards during the financial year 2022-23 and the Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks and disclaimer.

D. Cost Auditor

Maintenance of cost records as specified by the Central Government under Section 148 of the Companies Act 2013 is not applicable to the Company.

33. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

No significant and material orders have been passed by any regulator or courts or tribunals which shall impact the going concern status and operations of your Company in future.

34. CORPORATE SOCIAL RESPONSIBILITY:

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in **Annexure G** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR policy is available on company's website viz:
https://www.marineelectricals.com/images/policies/Corporate-Social-Responsibility-Policy-CSR.pdf.

The CSR obligation of the Company for FY 2022-23 is Rs. 21.92/- lakhs, after adjusting previous years excess amount of Rs. 5.13 lakhs which was available for set off, the total CSR obligation is Rs. 16.78 lakhs. As on 31st March 2023, the total amount spent on CSR activities by Company is Rs. 15.20 lakhs. As per second proviso to Section 135(5) of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014, as amended, the unspent CSR Amount shall be transferred to any Fund Specified Under Schedule VII transfer within a period of six months of the expiry of the financial year. Due to unavailability of suitable CSR projects, the CSR obligation of Rs. 1.58 lakhs remained unspent as on 31st March, 2023. Accordingly, the company has transferred Rs. 5.00 lakhs to Prime Minister National Relief Fund (PMNRF) on 25th May, 2023.

Further, the Chief Financial Officer has certified that the funds disbursed have been utilised for the purpose and in the manner approved by the Board for FY2023.

35. REPORTING OF FRAUDS:

There are no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

36. DETAILS RELATING TO DEPOSITS, COVERED UNDER CHAPTER V OF THE ACT:

The Company has not accepted any deposits from public during the year under review, and as such, no amount of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

37. HUMAN RESOURCES:

The industrial relations at the manufacturing facilities of your Company have been cordial during the year. Employees are considered to be team members being one of the most critical resources in the business which maximize the effectiveness of the organization. Human resources build the enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst them towards strengthening the Company’s Policies and Systems. The Company maintains healthy, cordial and harmonious relations with all personnel and there by enhancing the contributory value of the Human Resources.

38. EMPLOYEES STOCK OPTION SCHEME:

Your company has not granted any Employee Stock Options during the year under review.

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

The Company has devised a sound Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act 2013 with the proper composition of members. The policy on Policy on Prevention of Sexual Harassment At Workplace is available on the website of the Company https://www.marineelectricals.com/images/policies/Sexual-Harrassment-Policy.pdf

The Company is committed to provide a safe and conducive work environment to its employees. Your Directors further state that, during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has constituted an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has not received any complaints during the year.

40. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

There was no application made against the company however the company has filed petition under the Insolvency and Bankruptcy Code, 2016 for non-payment of outstanding dues against Vasp Engineers Private Ltd and it is pending before NCLT.

41. COMPLIANCE OF THE SECRETARIAL STANDARDS:

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and that such systems are adequate and operating effectively.

42. INVESTOR EDUCATION AND PROTECTION FUND

As required under the provisions of Section 124 and 125 and other applicable provisions of Companies Act, 2013, dividends that remain unpaid/unclaimed for a period of seven years, needs to be transferred to the account administered by the Central Government viz: “Investor Education and Protection Fund”.

During the year there were no transfers to IEPF.

43. ACKNOWLEDGMENTS:

Your Directors express their sincere appreciation for the co-operation received from shareholders, bankers and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in the successful performance of the Company during the year.

On behalf of the board of directors

Sd/-	Sd/-
Mr. Vinay K. Uchil	Mr. Venkatesh K. Uchil
Chairman and Executive Director	Managing Director
DIN: 01276871	DIN: 01282671

Date: 11th August, 2023

Place: Mumbai

ANNEXURE A

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014.

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

(Amount in Lakhs)

Sr. No.	Particulars	Details				
1	Name of the subsidiary	MEL power Systems FZC	Eltech Engineers Madras Private Limited	STI Company SRL	Evigo Charge Private Limited (formally known as Evigo Charging Consultants Private Limited)	Xanatos Marine Limited (became subsidiary w.e.f. 04/01/2023)
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	From 1st April, 2022 to 31st March 2023	From 1st April, 2022 to 31st March 2023	From 1st January, 2022 to 31st December 2022	From 1st April, 2022 to 31st March 2023	From 1st April, 2022 to 31st March 2023
3	Holding company's reporting period	From 1st April, 2022 to 31st March, 2023	From 1st April, 2022 to 31st March, 2023	From 1st April, 2022 to 31st March, 2023	From 1st April, 2022 31st March, 2023	From 1st April, 2022 31st March, 2023
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	AED 1 AED : 22.37	INR	EURO 1 EURO : 89.29	INR	CAD 1 CAD : Rs 60.61
5	Financial Year in the Case of Foreign Subsidiaries	01/04/2022 to 31/03/2023	-	From 01/01/2022 to 31/12/2022	-	01/04/2022 to 31/03/2023
6	Share Capital	21.53	30.00	1003.76	104.01	1.00
7	Reserves & Surplus	3604.29	(271.92)	573.64	(386.91)	(347.96)
8	Total Assets	4953.82	11.16	5562.20	187.20	204.25
9	Total Liabilities	1328.00	253.08	3984.8	470.10	551.21
10	Investments	895.81	NIL	345.78	NIL	NIL
11	Turnover	1137.37	-	2317	140.66	-
12	Profit before taxation	64.95	19.82	25.43	(330.87)	(35.16)
13	Provision for taxation	NIL	(1.09)	18.55	(0.58)	NIL
14	Profit after taxation	64.95	20.91	6.89	(330.29)	(35.16)
15	Proposed Dividend	NIL	NIL	NIL	NIL	NIL
16	% of shareholding	90%	70%	67.50%	98.88%	75%

Notes:

i) The annual accounts of the above Subsidiary Companies are open for inspection by any investor at the Company's Corporate Office and the Registered Office of the respective subsidiary companies.

ii) Acquisition of Xanatos Marine Limited was completed on 04/01/2023 thereby making it subsidiary of the Company as on 31.03.2023

iii) Balance sheet figures of foreign subsidiaries are converted at an exchange rate prevailing on closing day of the financial year of the subsidiary for the purpose of this statement

The following information shall be Furnished:

Names of subsidiaries, which are yet to commence operations: Nil

Names of subsidiaries, which have been liquidated or sold during the year: Nil

Part "B": Associates and Joint Ventures

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

(Amount in Lakhs)

Name of Associates/Joint Ventures	
1. Latest audited Balance Sheet Date	NA
2. Shares of Associate/Joint Ventures held by the company on the year end	
(i) Number (ii) Amount of Investment in Associates/Joint Venture (iii) Extend of Holding %	
3. Description of how there is significant influence	
4. Reason why the associate/joint venture is not consolidated	
5. Networth attributable to Shareholding as per latest audited Balance Sheet	
6. Profit / Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

The following information shall be furnished:

Names of Associates/ Joint Ventures, which are yet to commence operations: Nil

Names of Associates/ Joint Ventures, which have been liquidated or sold during the year: Nil

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

On behalf of the board of directors

Sd/-	**Sd/-**
Mr. Vinay K. Uchil	**Mr. Venkatesh K. Uchil**
Chairman and Executive Director	**Managing Director**
DIN: 01276871	**DIN: 01282671**

Date: 11th August, 2023

Place: Mumbai

ANNEXURE B

Disclosure of Managerial Remuneration

(Pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. The ratio of remuneration of each Director to median remuneration of employees of the Company and details of percentage increase in the remuneration of each Director and KMP in the financial year 2022-23 are as follows:

Sl. No.	Name of the Director	Ratio of Remuneration of Director to the Median Remuneration of employees for 2022-23 (MRE)	% increase in remuneration in the financial year
A	**Executive Directors**		
1	Mr. Vinay K. Uchil (Chairman & Executive Director)	11.78	0.00
2	Mr. Venkatesh K. Uchil (Managing Director)	11.78	0.00
3	Mr. Shailendra Kumar Shukla (Director)	0.00	0.00
B	**Non- Executive Directors**		
4	Dr.Tanuja D. Pudhierkar (Director)	0.00	0.00
5	Mr. Madan Pendse (Independent Director)	0.22	0.00
6	Mr. Nikunj Mishra (Independent Director)	0.21	0.00
7	Mr. Vikas Jaywant (Independent Director)	0.27	0.00
8	Mr. Mohan Rao (Independent Director)	0.24	0.00
9	Ms. Archana Venkata Rajagopalan (Independent Woman Director)	0.15	0.00
C	**Key Managerial Personnel (KMP)**		
10.	Ms. Namita Sethia (Chief Financial Officer appointed on 30th July, 2020 and resigned on 30th July, 2022))	1.53	NA*
11.	Ms. Mitali Ambre (Company Secretary appointed on 27th February, 2021)	1.15	27.42%** 37.84%***
12.	Mr. U. M. Bhakthavalsalan (Chief Financial Officer appointed on 4th August, 2022)	10.00	NA*

Note:

1. *The % increase of remuneration is provided only for those directors and KMP who have drawn remuneration from the Company for full fiscal 2023 and full fiscal 2022.
2. **w.e.f 1st April, 2022
3. ***w.e.f 1st January, 2023

B. Median remuneration of Employees: Rs. 42,450 (per month)

C. The percentage increase in the median remuneration of employees in the financial year 2022-23: 15.33%

D. Number of permanent employees on the rolls of the Company as on March 31, 2023: 414

E. Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year 2022-23 was below 11%. Percentage increase in remuneration of managerial personnel has been determined based on independent benchmarking, performance of the Company and trends of remuneration in the industry.

F. Affirmation: Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Company's Policy on nomination, remuneration & evaluation.

STATEMENT OF PARTICULARS OF EMPLOYEES

(Pursuant To Section 197 Of The Companies Act, 2013 Read With Rule 5(2) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014)

List of Top 10 salaried employees for the Financial Year ended 31st March, 2023.

Sl. No.	Name & Designation	Remuneration received during the period from April 1, 2022 to March 31, 2023	Nature of employment	Qualifications and experience of the employee	Date of commencement of employment	Age	The last employment held before joining the Company	Whether is a relative of any director or manager of the Company	The percentage of equity shares held by the employee in the Company within the meaning of clause(iii) of sub-rule (2) of Rule 5
1	Mr. Suresh Nair - Vice President Operation	Rs. 38,20,000	Regular	B.E Electricals and 22 Yrs.	12/02/2019	53 Years	Merchant Navy	No	Nil
2	Mr. T K Mani - General Manager R&D	Rs. 26,20,000	Regular	B.E Electricals and 30 Yrs.	01/08/2018	72 Years	NA	No	Nil
3	Mr. Pritesh Jani - Automation Head	Rs. 20,75,200	Regular	B.E Electricals and 15 Yrs.	01/06/2016	39 Years	Phoenix Contact India Emerson Export Engineering	No	Nil
4	Mr. Ram Singh General Manager Operation & Projects	Rs. 18,34,000	Regular	B.E Electricals 22 Yrs.	07/04/2014	48 Years	Indian Navy	No	Nil
5	Mrs. Rinku Joshi General Manager Accounts& Finance	Rs. 17,68,500	Regular	B. Com and 24 Yrs.	19/08/1997	49 Years	NA	No	Nil
6	Mr. P R Mohanraj General Manager Service	Rs. 17,23,950	Regular	B.E Electricals 30 Yrs.	08/05/2002	61 Years	Indian Navy	No	Nil
7	Mrs. Stella D'Souza Purchase Head	Rs. 16,08,000	Regular	HSC and 26 Yrs.	01/04/2013	55 Years	No	No	Nil

Sl. No.	Name & Designation	Remunerateon received during the period from April 1, 2022 to March 31, 2023	Nature of employment	Qualifications and experience of the employee	Date of commencement of employment	Age	The last employment held before joining the Company	Whether is a relative of any director or manager of the Company	The percentage of equity shares held by the employee in the Company within the meaning of clause(iii) of sub-rule (2) of Rule 5
8	Mr. Vijay Kinge - Sr.General Manager (Fabrication)	Rs. 15,68,505	Regular	DEM and 20 Yrs.	01/10/2021	51 Years	Kider India Pvt. Ltd.	No	Nil
9	Mr. Amit Ghokle Sr. Manager Design & Estimation	Rs. 15,06,500	Regular	B.E. Electricals 15 Yrs.	16/11/2015	41 Years	Simulation	No	Nill
10	Mr. Navin Rao General Manager -Plant	Rs. 14,20,000	Regular	B.E Electricals 27 Yrs.	01/04/1999	49 Years	NA	No	Nil

On behalf of the board of directors

Sd/-	**Sd/-**
Mr. Vinay K. Uchil	**Mr. Venkatesh K. Uchil**
Chairman and Executive Director	**Managing Director**
DIN: 01276871	**DIN: 01282671**

Date: 11th August, 2023

Place: Mumbai

ANNEXURE C

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34(3) read with clause 10 (i) of Part C of Schedule V of SEBI LODR, 2015, the Declaration on Codes of Conduct is given below:

To,
The Members
Marine Electricals (India) Limited

We have examined the relevant registers, records, forms, returns and disclosures, from the Directors of **Marine Electricals (India) Limited** having CIN L31907MH2007PLC176443 and having registered office at B/1, Udyog Sadan No. 3, MIDC, Andheri (E), Mumbai MH – 400093, India (hereinafter referred to as 'the Company'), produced before us by the Company in electronic mode, for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sl. No.	Name of the Director	DIN	Date of appointment in Company
1	Vinay Krishna Uchil	01276871	04/12/2007
2	Venkatesh Krishnappa Uchil	01282671	04/12/2007
3	Mohan Rao	02592294	30/05/2020
4	Nikunj Kishore Mishra	03589730	11/07/2018
5	Vikas Manohar Jaywant	06607484	24/02/2020
6	Madan Gopal Pendse	07650301	11/07/2018
7	Shailendra Kumar Shukla	08049885	07/12/2018
8	Tanuja Deepak Pudhierkar	08190742	01/08/2018
9	Archana Venkata Rajagopalan	09077128	23/02/2021

* Dates of Appointment of Directors as stated above are based on information appearing on MCA Portal

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion 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

Name of Practicing CS: Jigarkumar Gandhi,
Proprietor
JNG & Co.,
FCS No: 7569
CP No: 8108
Peer Review No: 1972/2022
UDIN:F007569E000791143

Place : Mumbai
Date : 11th August, 2023

ANNEXURE D

Form No. AOC-2

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

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

a. Details of contracts or arrangements or transactions not at arm's length basis:

(a) Name(s) of the related party and nature of relationship	There were no contracts or arrangements, or transactions entered into during the year ended 31 March 2023, which were not at arm's length basis.
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts/arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) Date(s) of approval by the Board	
(g) Amount paid as advances, if any	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

b. Details of material contracts or arrangement or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship	There were no material contracts or arrangements, or transactions entered into during the year ended 31st March 2023.
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts/arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Date(s) of approval by the Board	
(f) Amount paid as advances, if any	

On behalf of the board of directors

Sd/-	**Sd/-**
Mr. Vinay K. Uchil	**Mr. Venkatesh K. Uchil**
Chairman and Executive Director	**Managing Director**
DIN: 01276871	**DIN: 01282671**

Date: 11th August, 2023

Place: Mumbai

ANNEXURE E

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE INFLOW & OUTFLOW

Energy conservation continues to be an area of focus for your Company. Initiatives to integrate energy efficiency into overall operations are undertaken through design considerations and operational practices.

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under:

a) Conservation of Energy

Your Company has taken sufficient steps to conserve energy by monitoring the use thereby resulting in savings for the company.

b) Technology Absorption

The Company is using latest technology for manufacturing of the products and same has been fully absorbed. The Company is continuously improving its quality and installed latest equipment and new testing and measuring equipment. Indigenous technology available is continuously being upgraded to improve overall performance. Indigenous technology available is continuously being upgraded to improve over all performance.

c) Expenditure on Research & Development

Your company has in addition to R&D facility in Mumbai started a R&D facility in Kochi to increase new product development. We have already designed two new products in the year which will commercially sold in the next financial year. Also our new team of very senior engineers have bought improvements in all our existing products developed by the company in the past.

d) Foreign Exchange Earnings/ Outgo (Rs: in Lakhs):

Foreign Exchange Earnings: Rs. 4,476.23/-

Foreign Exchange Outgo: Rs. 6,262.51/-

On behalf of the board of directors

Sd/-	**Sd/-**
Mr. Vinay K. Uchil	**Mr. Venkatesh K. Uchil**
Chairman and Executive Director	**Managing Director**
DIN: 01276871	**DIN: 01282671**

Date: 11th August, 2023

Place: Mumbai

ANNEXURE F

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year ended 31st March, 2023

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

To
The Members,
MARINE ELECTRICALS (INDIA) LIMITED
B/1, UdyogSadan No.3,
MIDC, Andheri (E),
Mumbai - 400093.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MARINE ELECTRICALS (INDIA) LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me 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 on 31st March, 2023 ('Audit Period') 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 31st March, 2023 according to the provisions of:

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investments and Overseas Direct Investments;

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

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

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

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(not applicable to the company during the review period)**

e) The Securities and Exchange Board of India (Issue and Lasting of Debt Securities) Regulations, 2008; **(Not Applicable during the audit period)**

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

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable during the audit period)**

h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not Applicable during the audit period)**

i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(not applicable to the company during the review period);**

j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (SEBI LODR) and

k) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(vi) I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major heads/groups of Acts, laws and Regulations as applicable to the Company are listed below :

a. The Factories Act, 1948;

b. The Employees Provident Funds Act, 1952;

c. The Employees State InsuranceAct,1948(ESICAct);

d. The Payment of Bonus Act,1965 & Rules;

e. The Maternity Benefit Act, 1961;

f. The Minimum Wages Act, 1948;

g. The Payment of Gratuity Act, 1972;

h. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

i. The Equal Remuneration Act, 1976;

j. Bombay IR Act, 1946;

k. The Industrial Dispute Act,1947;

l. The Weekly Holiday Act,1942;

m. The Maharashtra Labour Welfare Fund Act, 1953 & The Maharashtra Labour Welfare Fund Rules, 1953;

n. TheEmployeesStateInsuranceAct,1948(ESICAct);

o. The Contract Labour (Regulation and Abolition) Act, 1970 & The Maharashtra Contract Labour (Regulation and Abolition) Rules, 1971;

p. The Maharashtra Workmen's Minimum House-Rent Allowance Act, 1983 & The Maharashtra Workmen's Minimum House-Rent Allowance Rules, 1990;

q. The Industrial Employment (Standing Order) Act,1946;

r. The Employment Exchange (Compulsory Notification of Vacancies) Act,1959;

s. The Electricity Act, 2003;

t. Air (Prevention and Control of Pollution) Act, 1981;

u. Water (Prevention and Control of Pollution) Act, 1974;

v. Environment (Protection) Act, 1986;

w. Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016;

x. The Water (Prevention and Control of Pollution) Cess Act, 1977 (Water Cess Act) And Water (Prevention and Control of Pollution) Cess Rules, 1978 (Water Cess Rules);

y. Other applicable laws.

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

a) Secretarial Standards with regards to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

b) The Listing Agreements entered into by the Company with stock exchanges;

To the best of our knowledge and belief, during the Audit period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and Women Directors in terms of Companies Act, 2013 and Regulation 17 of SEBI (LODR), 2015. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings (including meetings of the committees), agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out either unanimously or majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that,

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

The members may note that during the audit period under review:

1. The Members at the 15th Annual General Meeting held on 19th September, 2022 through video conferencing passed following Resolutions and the company has complied with the provisions of the Act and regulations prescribed under SEBI Act in respect of the following:

    a) To receive, consider and adopt the Audited Financial Statement of the Company (Standalone and Consolidated Financial Statement) for the financial year ended 31st March, 2022 together with the reports of the Board of Directors and the Auditors thereon.

    b) Re-appointment of Mrs. Tanuja Pudhierkar (DIN: 08190742) who retires by rotation and being eligible offers herself for re-appointment.

c) Re-Appointment of Mr. Madan Pendse (DIN: 07650301)as an independent director for a second & final term of 3 years effective from 11.07.2023 till 10.07.2026 & continuation of Directorship after attainment of 75 Years of Age.

d) Re-Appointment of Mr. Nikunj Mishra (DIN: 03589730) as an independent director for a second & final term of 5 years effective from 11.07.2023 till 10.07.2028.

e) Re-Appointment of Mr. Mohan Rao (DIN: 02592294) as an independent director for a second & final term of 3 years effective from 30.05.2023 till 29.05.2026 & continuation of Directorship after attainment of 75 Years of Age.

f) Change in designation of Mr. Shailendra Shukla (DIN: 08049885) from Non-Executive to Executive Director for a period of 3 years w.e.f 30.06.2022.

g) Alteration of the clause 4(II) of the AOA of the company– "**Share Capital & Variation of Rights"** by way of insertion of the words "and/or other securities" to widen the scope of preferential issue by including all kind of securities.

h) Issue of 1,00,00,000 Convertible Warrants on Preferential Basis.

1. During the audit period under review, Ms. Namita Sethia resigned as Chief Financial Officer w.e.f 30th July, 2022 and Mr. U.M. Bhakthavalsalan was appointed as Chief Financial Officer of the company w.e.f4th August, 2022

2. During the audit period under review, the company has made investment in 75% of shares of **Xanatos Marine Limited** and acquired **Xanatos Marine Limited** as a subsidiary of the company pursuant to the approval of Board obtained in the Board Meeting held on 22nd October, 2021 and the investment made is within the limit as approved by the shareholders by passing special resolutions under Section 186 of the Companies Act,2013 in its meeting held on 2nd August, 2018.

I further report that during the audit period, the following specific events / actions having major bearing on the Company's affairs had taken place:

1. Issue and allotment on a preferential basis of upto 1,00,00,000 (One Crore) Convertible Warrants in one or more teaches to Promoters and Non-Promoters carrying an entitlement to subscribe to an equivalent number of equity shares of face value of Rs. 2/- each of the Company at a price of Rs. 29.25/- per Equity Share (including premium of Rs. 27.25/- eachor at a price being not lower than the minimum price calculated in accordance with the Regulations for Preferential Issue contained in Chapter V of SEBI (ICDR) Regulations as amended.

2. Based on approval of shareholders of the company through special resolution in the Annual General Meeting held on 19thSeptember, 2022 for issue and allotment of convertible warrants on preferential basis and In-principal Approval accorded from NSE on 13th September, 2022, the Board of directors subsequently via circular resolution passed on 23.02.2023 and 06.03.2023approved the allotment of 20,00,000 Equity Shares and 16,50,000 Equity Shares respectively upon conversion of warrants.

For M/s. R. Bhandari & Co.
Company Secretaries

Raghunath Bhandari
Proprietor
FCS No. 8048
CP No. 15381
Peer Review Certificate No.: 1986/2022
UDIN :F008048E000405280

Date : 29th May, 2023
Place: Mumbai

This report is to be read with our letter which is annexed as Annexure A and forms an integral Part of the Report

Annexure A

To,
The Members,
MARINE ELECTRICALS (INDIA) LIMITED
B/1, UdyogSadan No.3,
MIDC, Andheri (E),
Mumbai - 400093.

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

1. Maintenance of Secretarial record of applicable laws is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process 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 process and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards applicable to the Company is the responsibility of management. Our examination was limited to the verification of procedure 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 M/s. R. Bhandari & Co.
Company Secretaries

Raghunath Bhandari
Proprietor
FCS No. 8048
CP No. 15381
Peer Review Certificate No.: 1986/2022
UDIN :F008048E000405280

Date : 29th May, 2023
Place: Mumbai

This report is to be read with our letter which is annexed as Annexure A and forms an integral Part of the Report

ANNEXURE G

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes: Marine, CSR Policy is focused on enhancing the lives of the local community in which it operates. This takes shapes by way of providing a better quality of life for the people in the communities in which the Company operates. We strongly believe in contributing towards the betterment of society and endeavor to create a positive impact, while achieving our business goals. The CSR Policy can be accessed on company's website viz; https://www.marineelectricals.com/images/policies/Corporate-Social-Responsibility-Policy-CSR.pdf

2. The composition of the CSR committee:

Sr. No.	Name of Director	Designation	Number of Meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Vinay Uchil	Chairman	1	1
2	Dr. Tanuja Pudhierkar	Committee Member and Director	1	1
3	Mr. Nikunj Mishra	Committee Member and Independent Director	1	1
4	Mr. Vikas Jaywant	Committee Member and Independent Director	1	1

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

4. Provide the executive summary along with web-link(s)of impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable - **Not Applicable.**

5. (a) Average net profit of the company as per sub-section (5) of section 135: **Rs.10,95,94,260/-**

   (b) Two percent of average net profit of the company as per sub-section (5) of section 135**: Rs. 21,91,885/-**

   (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: **NA**

   (d) Amount required to be set-off for the financial year, if any: **Rs. 5,13,434/-**

   (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **Rs. 16,78,451/-**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs. 15,20,000/-**

   (b) Amount spent in Administrative Overheads : **NA**

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

   (d) Total amount spent for the Financial Year [(a)+(b)+(c)] :**Rs. 15,20,000/-**

   (e) CSR amount spent or unspent for the financial year:

Total amount Spent for the Financial year (Rs. in Lakhs)	Amount Unspent (in Rs.)				
	Total Amount transferred to unspent CSR account as per section 135(6)		Amount transferred to any fund specified under schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
Rs. 15,20,000/-	NA	NA	Prime Minister National Relief Fund	Rs. 5,00,000/-	25/05/2023

(f) Excess amount for set-off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	Rs. 21,91,885/-
(ii)	Total amount spent for the Financial Year	Rs. 15,20,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

7. Details of unspent CSR amount for the preceding three financial years:

Sl. No	Preceding financial year	Amount transferred to Unspent CSR Account sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount spent in the Financial year (in Rs.)	Amount transferred to any fund specified under schedule VII as per section 135(6), is any succeeding		Amount remaining to be spent in financial year (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
1.	2021-2022	Not Applicable						
2.	2020-2021	Not Applicable						
3.	2019-2020	Not Applicable						

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes ☐ No ☑

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

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection(5) of section 135-Due to unavailability of suitable CSR projects, the CSR obligation of Rs. 1.58 lakhs remained unspent as 31st March, 2023. Accordingly, the company has transferred Rs. 5.00 lakhs to Prime Minister National Relief Fund (PMNRF) on 25th May, 2023

On behalf of the board of directors

Sd/-	**Sd/-**
Mr. Vinay K. Uchil	**Mr. Venkatesh K. Uchil**
Chairman and Executive Director	**Managing Director**
DIN: 01276871	**DIN: 01282671**

Date: 11th August, 2023

Place: Mumbai

Management Discussion And Analysis

A. Overview of the Company's Business:

Marine Electricals' business sustenance and growth prospects are closely linked to the growth of Electrical, Navigation & Communication and Automation solution needs of India and neighbouring countries where MEIL has a footprint. In addition, the growth of Marine / Shipping industry also brings significant opportunities and value proposition to our services business concentrated in India and middle-east. Strong electrical, electronics and NAVCOM back-bone clubbed with the growing services portfolio helps to leverage MEIL as a turn-key package solution provider to the shipyards as a credible integrator. This also enables us to attempt larger repair and service contracts.

The Management Discussion and Analysis of MEIL therefore focuses on the eco-system and the trends of business opportunities emerging from these sectors and analyses our competitive positioning in these businesses. Company has taken timely steps for horizontal and vertical expansions into related business and technology segments with measured low-risk manageable steps.

Our agility and performance during the COVID-19 Pandemic has given us confidence that we can adapt to worse situations very quickly and align to the new unknown challenges relatively well. We have come out of the COVID crisis more successfully than our competitors in the eco-system.

B. Performance of the Company:

The Key Financials Parameters as on 31st March, 2023 on Standalone and Consolidated Basis are as follows:
Standalone:

Particular	As on 31st March 2023	As on 31st March 2022
Debt/Equity Ratio	0.30	0.19
Debt Service Ratio	3.14	2.82
Interest Coverage Ratio	7.72	4.91
Current Ratio	1.60	1.69
Net Profit Ratio	5.00%	3.87%
Operating Profit Ratio:	8.94%	7.46%

Consolidated:

Particular	As on 31st March 2023	As on 31st March 2022
Debt/Equity Ratio	0.30	0.19
Debt Service Ratio	2.68	2.90
Interest Coverage Ratio	6.17	4.95
Current Ratio	1.60	1.65
Net Profit Ratio	3.79%	3.53%
Operating Profit Ratio:	8.71%	7.10%

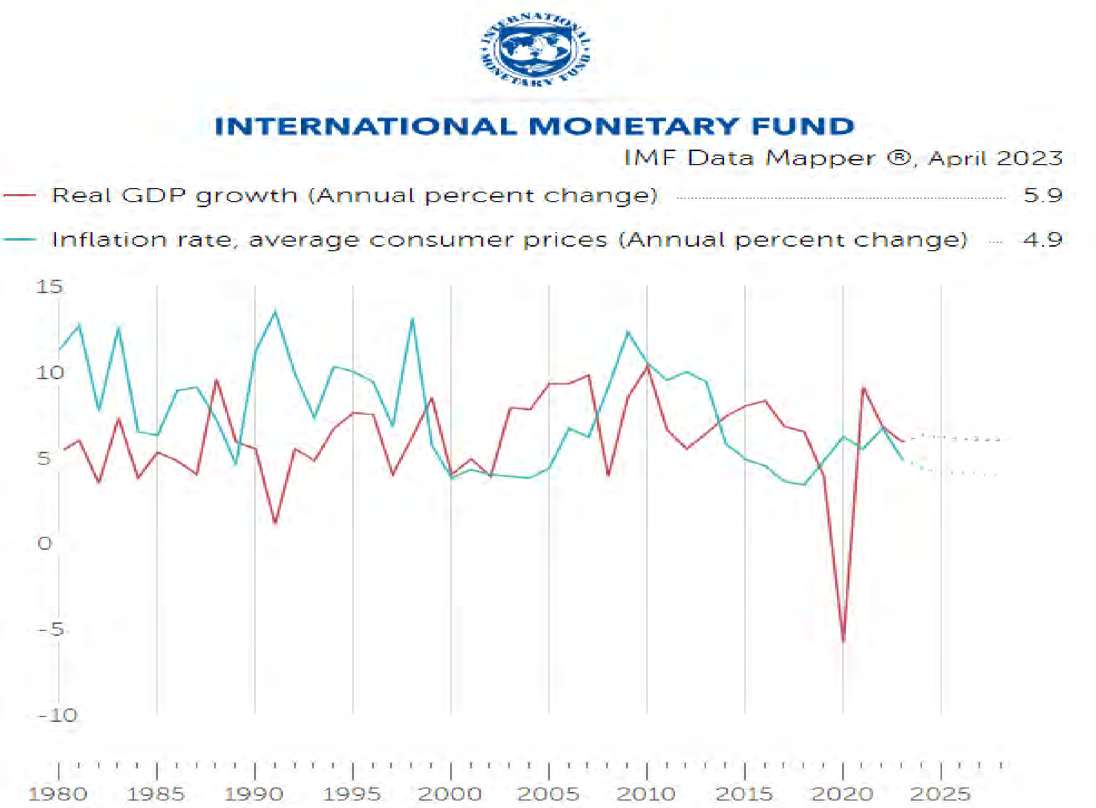
Revenue from operations:
Standalone: 39,127.13 Lakhs
Consolidated: 44,285.44 Lakhs.

Performance of each Segments

Our Company is mainly dealing into two segments viz Electricals & Electronics and Solar. The Company has been receiving orders from customers for Electricals & Electronics segment on regular basis. The Company achieved revenues of Rs. 39,088.54 lakhs for Electricals & Electronics segment and Rs.38.94 lakhs for Solar segment during FY 2022-23 as against Rs. 32,058.48 Lakhs for Electricals & Electronics segment and Rs. 230.08 Lakhs for Solar segment during FY 2021-22. The Company achieved PBIT of Rs. 3,148.53 lakhs for Electricals & Electronics segment and Rs. (223.25) lakhs for Solar segment during FY 2022-23 as against Rs. 2,459.11 Lakhs for Electricals & Electronics segment and Rs. (393.38) Lakhs for Solar segment during FY 2021-22.

Management Discussion And Analysis

Economic Environment: A robust GDP growth indicator



Source: https://www.imf.org/en/Countries/IND (Update Feb 2023)

Electrical Power Generation and Distribution Sector

Total Power Generation in India (Billion Units)

Total Power Generation in India (Billion Units)

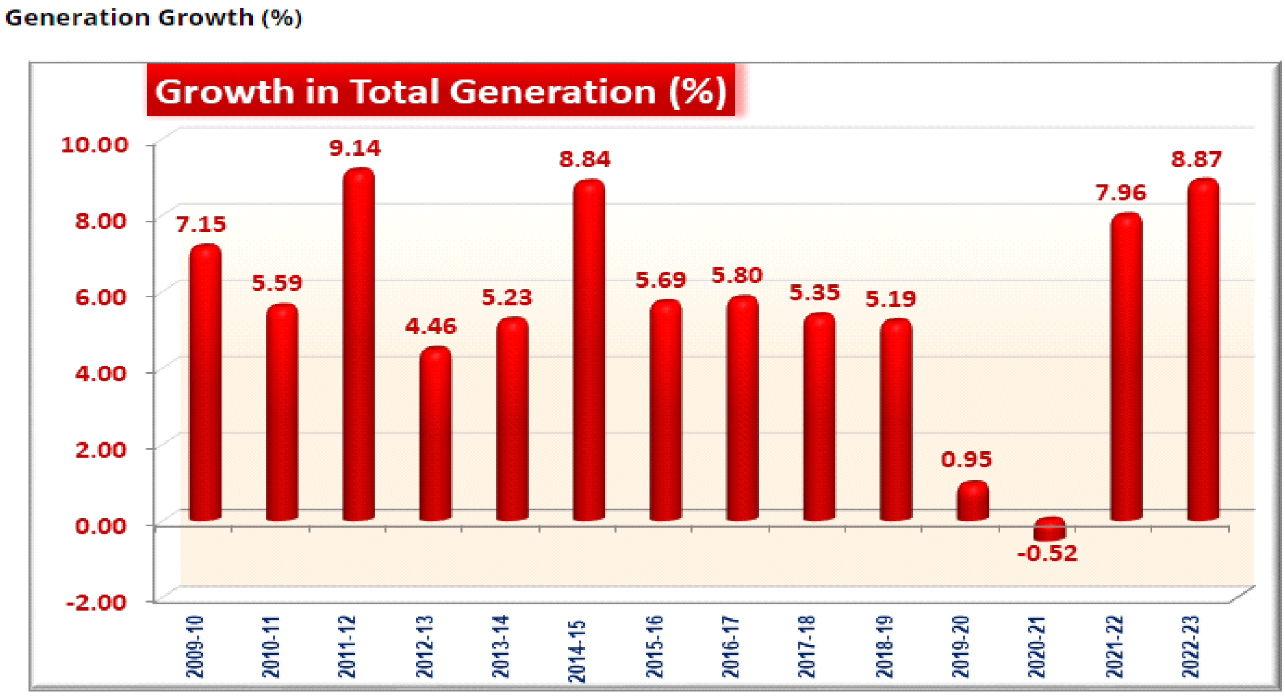
Source: https://www.ibef.org/industry/power-sector-india (Update Feb 2023)

Management Discussion And Analysis

The core business of Marine Electricals is directly or indirectly impacted by the demands & opportunities, developments & investments, Govt policies & Initiatives and visibility in the foreseeable future. As evident from the above GDP growth and 'Advantage India Factors' and also from the detailed analysis summary in the trail; we have reasons to believe that all these in our favour and therefore we should look forward to a positive business growth impact.

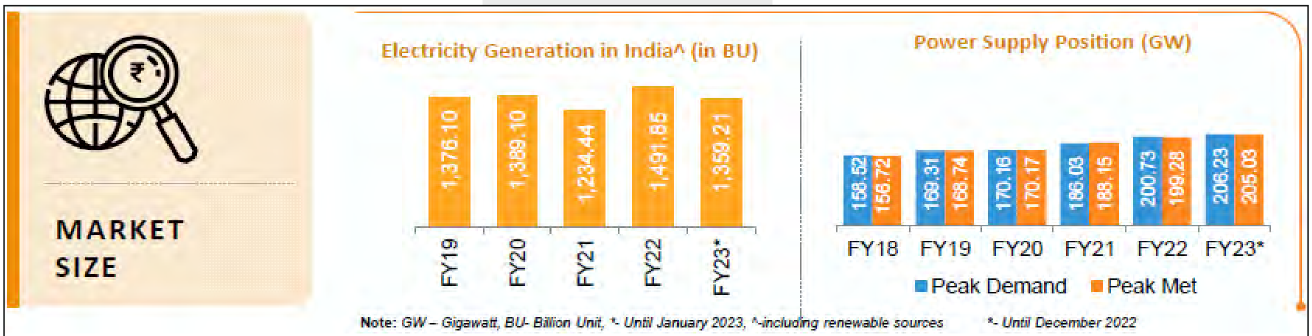
C. DEMANDS & OPPORTUNITIES

Growth in Total Power Generation in India (%)



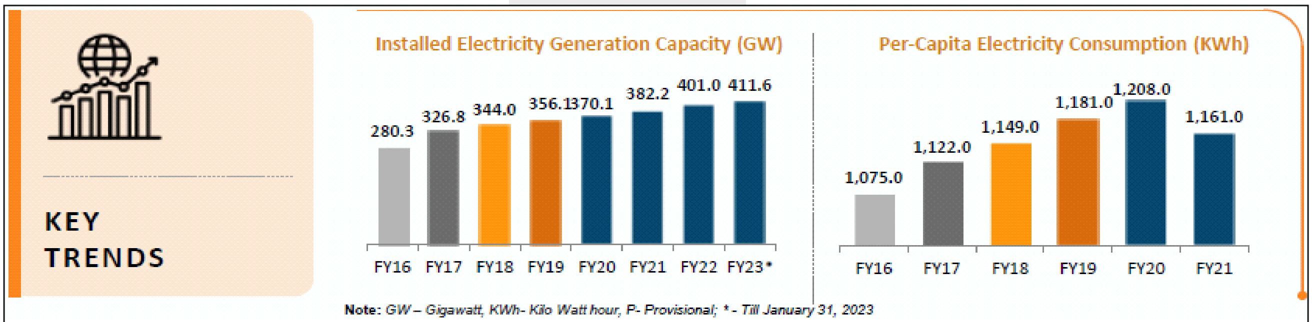
Source: https://powermin.gov.in/en/content/power-sector-glance-all-india

Growing Market



Source: India Brand Equity Foundation. www.ibef.org (Update Feb 2023)

Positive Trends



Source: India Brand Equity Foundation. www.ibef.org (Update Feb 2023)

Developments & Investments

Total FDI inflows in the power sector reached US$ 16.57 billion between April 2000-December 2022.

Some major investments and developments in the Indian power sector are as follows:

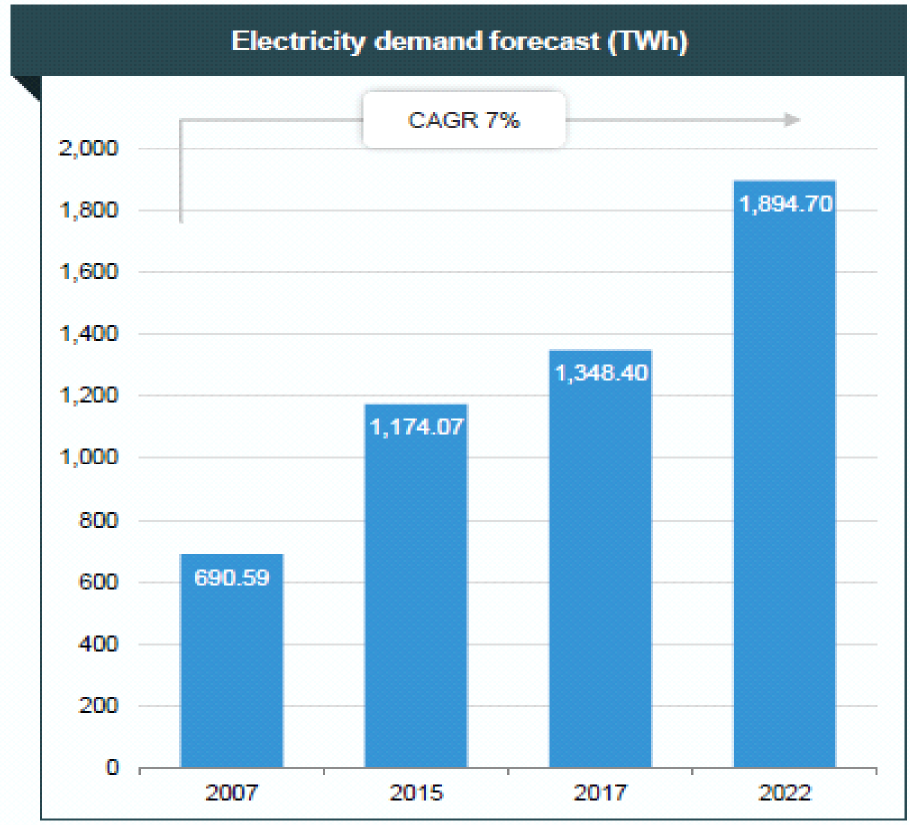
[Source: India Brand Equity Foundation https://www.ibef.org/industry/power-sector-india (Update May 2023)]

In January 2023, the Union Cabinet (CCEA) approved investment of US$ 315 million (Rs. 2,614 crores) for SJVN's 382 MW Sunni Dam Hydro Project.

In January 2023, President of India laid foundation stone of SJVN's 1000 MW Bikaner Solar Power Project in Rajasthan

In January 2023, the President of India dedicated transmission system built by Powergrid for 8.9 GW of solar power in Rajasthan.

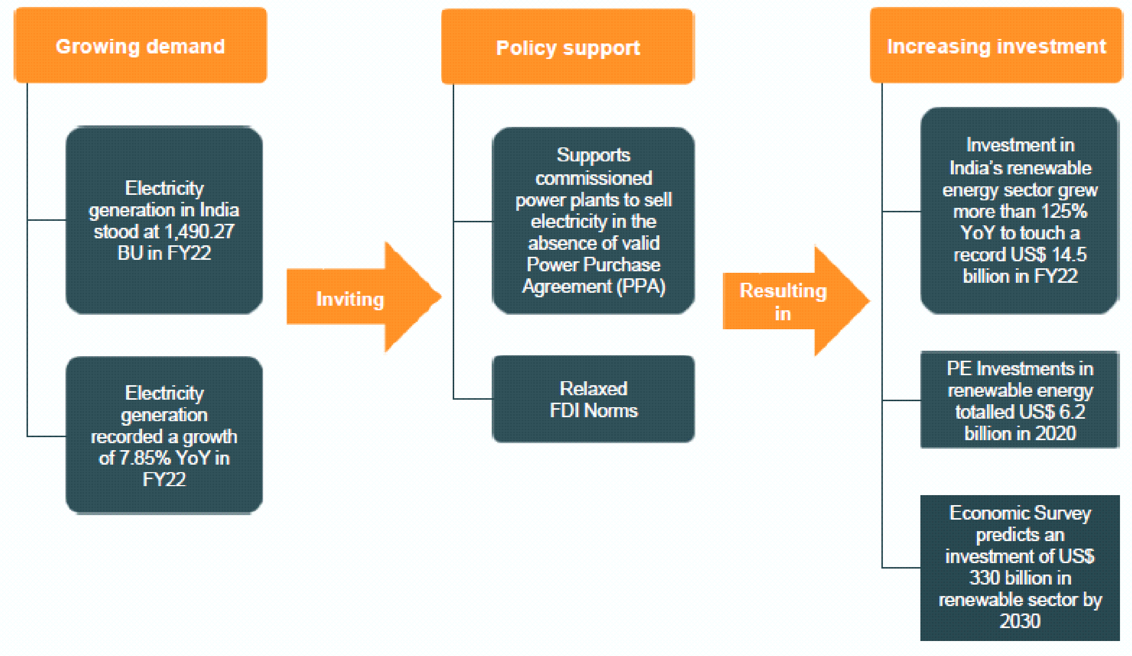
Power: Fundamentals Remain Robust



Sources:
International Energy Agency (IEA), CEA, Demand estimates based on IEA forecasts
India Brand Equity Foundation. www.ibef.org (Update Feb 2023)

In August 2022, Tata Power Green Energy Limited (TPGEL), a wholly-owned subsidiary of Tata Power, commissioned a 225MW hybrid power project in Rajasthan.

Growth Drivers: Good Demand, Favourable Policy, Rise In Investment



Sources:
Central Electricity Authority of India
India Brand Equity Foundation. www.ibef.org (Update Feb 2023)

Mumbai headquartered Essar Group has formed the Essar Energy Transition (EET) with the objective to invest a total of US$ 3.6 billion in developing a range of low carbon energy transition projects over the next five years.

In November 2022, the Maharashtra State Electricity Distribution Corporation Limited (MSEDCL) granted the "Letter of Award" (LoA) to Tata Power Renewable Energy Limited (TPREL), a Tata Power subsidiary, to build a 150 MW solar project in Solapur, Maharashtra.

In October 2022, SJVN started commissioning its 75 MW Solar Power Project in Parasan Solar Park which is located at Tehsil Kalpi, District Jalaun near Kanpur, Uttar Pradesh.

In August 2022, NHPC Limited and the Government of Himachal Pradesh inked an implementation agreement for the 500 MW Dugar Hydroelectric Project in the Chamba District of Himachal Pradesh.

In August 2022, Norfund, who manage the Norwegian Climate Investment Fund, and KLP, Norway's biggest pension company, signed an agreement to buy a 49% share of a 420 MW solar power plant in Rajasthan for Rs. 2.8 billion (US$ 35.05 million).

In August 2022, Tata Power Green Energy Limited (TPGEL), a wholly-owned subsidiary of Tata Power, commissioned a 225MW hybrid power project in Rajasthan.

In August 2022, NHPC signed a MoU with the Investment Board Nepal (IBN) to develop 750 MW West Seti and 450 MW SR-6 Hydroelectric Projects in Nepal.

In July 2022, NTPC signed a MoU with MASEN (Moroccan Agency for Sustainable Energy) for cooperation in the renewable energy sector.

In June 2022, SJVN announced a collaboration with the Assam government for the development of hydro and renewable energy projects in the state.

In June 2022, SJVN signed investment agreements worth Rs. 80,000 crore (US$ 10.24 billion) with the Uttar Pradesh government for implementing three solar power projects in the state.

In May 2022, SJVN signed a pact with Tata Power Solar Systems to build a 1,000 MW solar project worth Rs. 5,500 crore (US$ 704.38 million) in Bikaner, Rajasthan.

In June 2022, NTPC declared commercial operation of second part capacity of 15 MW out of 56 MW Kawas Solar PV project in Gujarat.

SJVN Limited is looking to develop 10,000 MW solar power projects inviting investment of Rs. 50,000 crore (US$ 6.56 billion) in the next five years in Rajasthan.

In June 2022, NHPC signed an engineering, procurement, and construction (EPC) contract with Adani Infra Limited to develop a 600 MW solar project under the Central Public Sector Undertaking program (Phase-II).

Investment in India's renewable energy sector grew more than 125% YoY to touch a record US$ 14.5 billion in FY22.

In March 2022, NTPC announced that it was ready to start partial power generation of 10 GW from a 92 MW floating solar energy plant being set up at NTPC's unit at Kayamkulam in Kerala.

In March 2022, NTPC announced that it will start commercial operations of 74.88 MW capacity of its 296 MW Fatehgarh solar project in Rajasthan.

In March 2022, Adani Solar and Smart Power India (SPI), a subsidiary of Rockefeller Foundation, signed a non-financial and non-commercial MoU promote the usage of solar rooftop panels in rural India.

In February 2022, Kolkata-based Eminent Electricity Distribution Ltd., a subsidiary of CESC Limited, bid Rs. 871 crore (US$ 113.24 million) to take over Chandigarh's power supply department, which was approved and the transition will happen by the end of March.

In November 2021, NTPC announced that its 80 MW solar power-generation capacity in Jetsar (Rajasthan) has started commercial operations from October 22, 2021. The total capacity of the project is 160 MW.

In November 2021, SJVN began the second unit work of the 1,320 MW Buxar thermal power plant in Bihar.

Government Policies & Initiatives

The Government of India has identified the power sector as a key sector of focus to promote sustained industrial growth. Some initiatives by the Government to boost the Indian power sector are as below:

Source: India Brand Equity Foundation https://www.ibef.org/industry/power-sector-india (Update May 2023)

In the Union Budget 2022-23, the government allocated US$ 885 million (Rs. 7,327 crore) for the solar power sector including grid, off-grid, and PM-KUSUM projects.

Under the Union Budget 2022-23, the government announced the issuance of sovereign green bonds, as well as conferring infrastructure status to energy storage systems, including grid-scale battery systems.

The Green Energy Corridor projects have been initiated to facilitate renewable power evacuation and reshaping the grid for future requirements. As on October 2022, 8651 ckm of intra-state transmission lines have been constructed and 19,558 MVA intra-state substations have been charged.

Production Linked Incentive Scheme (Tranche II) on 'National Programme on High Efficiency Solar PV Modules', with an outlay of US$ 2.35 billion (Rs. 19,500 crore) was approved and launched.

As of August 24, 2022, over 36.86 crore LED bulbs, 72.18 lakh LED tube lights and 23.59 lakh energy-efficient fans have been distributed across the country, saving around 48,411 million kWh per year and around Rs. 19,332 crore (US$ 2.47 billion) in cost savings.

As of November 2022, over 51.62 lakh smart metres have been deployed under the National Smart Grid Mission (NSGM), with a further 61.13 lakh to be deployed.

Electrification in the country is increasing with support from schemes like DeenDayal Upadhyay Gram Jyoti Yojana (DDUGJY), Ujwal DISCOM Assurance Yojana (UDAY), and Integrated Power Development Scheme (IPDS).

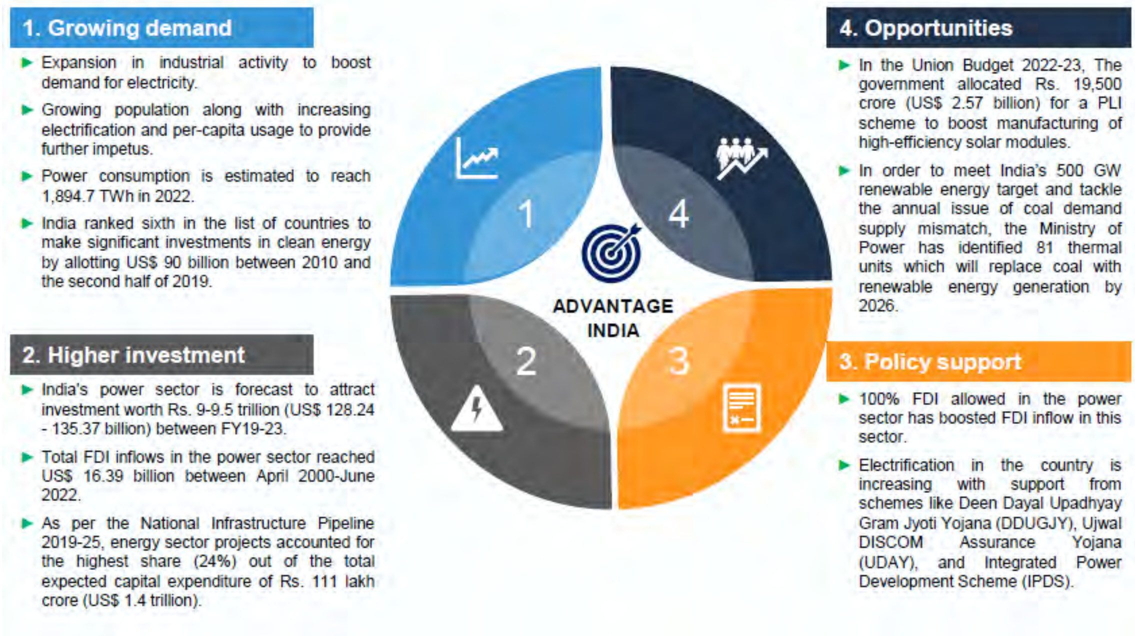
In order to meet India's 500 GW renewable energy target and tackle the annual issue of coal demand supply mismatch, the Ministry of Power has identified 81 thermal units which will replace coal with renewable energy generation by 2026.

In February 2022, a parliamentary standing committee recommended the government to take steps to increase the loan limit for renewable energy sector under priority sector lending. The current limit stands at Rs. 30 crore (U$ 3.93 million).

In November 2021, the government announced future plans to increase the funding under the PLI scheme for domestic solar cells and module manufacturing to RS. 24,000 crore (US$ 3.17 billion) from the existing Rs. 4,500 crore (US$ 594.68 million) to make India an exporting nation.

In September 2021, the Government of the United Kingdom announced that it will invest US$ 1.2 billion through public and private investments in green projects and renewable energy in India to support the latter's target of 500 GW of renewable energy by 2030.

Advantage India



Sources:
DPIIT, ICE 360 Survey 2016, Blue Star Investor Presentation August 2018, *BARC India Universe Update July 2018, Bombay Stock Exchange
India Brand Equity Foundation. www.ibef.org (Update Feb 2023)

The Foreseeable Future Of Power Business Landscape Forecast

Source: India Brand Equity Foundation https://www.ibef.org/industry/power-sector-india (Update May 2023)

In the current decade (2020-2029), the Indian electricity sector is likely to witness a major transformation with respect to demand growth, energy mix and market operations. India wants to ensure that everyone has reliable access to sufficient electricity at all times, while also accelerating the clean energy transition by lowering its reliance on dirty fossil fuels and moving toward more environmentally friendly, renewable sources of energy. Future investments will benefit from strong demand fundamentals, policy support and increasing government focus on infrastructure.

The Government of India is preparing a 'rent a roof' policy for supporting its target of generating 40 GW of power through solar rooftop projects by 2022. It also plans to set up 21 new nuclear power reactors with a total installed capacity of 15,700 MW by 2031.

The Central Electricity Authority (CEA) estimates India's power requirement to grow to reach 817 GW by 2030. Also, by 2029-30, CEA estimates that the share of renewable energy generation would increase from 18% to 44%, while that of thermal energy is expected to reduce from 78% to 52%.

The government plans to establish renewable energy capacity of 500 GW by 2030.

Naval Shipbuilding

1. The Indian Navy is one of our premier clients for both defence and marine businesses. The Make In India movement of the Government has also catalyzed the shipyards and DPSUs to enhance the degree of indigenization in shipbuilding. More and more equipment are being brought into the indigenization umbrella. Enhanced percentage of indigenous content is also being encouraged. The vision of a 200 strong combat fleet by 2027 is also a catalyzer. In wake of the naval vision, warship construction has witnessed an unprecedented growth. This has been one of the significant growth impetus for Marine Electricals as well.

   I. The various projects of Indian Navy, at different stages of execution in shipyards are tabulated below (excluding smaller ships/ crafts). This is the current business concentration of the Naval division of our Company:

Ser	Project	Type	No of Ships	Shipyard	Notes
(a)	IAC	Aircraft Carrier	01	Cochin Shipyard Ltd.	Services continues
(b)	P15B	Destroyers	04	Mazagon Shipbuilders Ltd.	IBS Retrofit
(c)	P17A	Frigates	07	Mazagon Dock Shipbuilders Ltd. & Garden Reach Shipbuilders Ltd.	Deliveries in full Swing
(d)	Follow on 1135.6	Frigates	02	Goa Shipyard Ltd.	Order received for delivery
(e)	Survey Vessel (L)	Survey Vessel	04	Garden Reach Shipbuilders Ltd.	
(f)	Anti-Submarine Warfare Shallow Water Craft	Warship	16	Cochin Shipyard Ltd. Garden Reach Shipbuilders Ltd.	Deliveries commenced, shall peak in FY 2023-24
(g)	DSV	Diving Support Vessel	02	Hindustan Shipyard Ltd.	Deliveries in progress
(h)	FSS	Fleet Support Ship (Tanker)	05	Hindustan Shipyard Ltd.	Ordering stage
(i)	NG OPV	Next Gen Offshore Patrol Vessels	11	Goa Shipyard Limited (07), Garden Reach Shipbuilders & Engineers (04)	Tendering Stage
(j)	NG MV	Next Gen Missile Vessels	06	Cochin Shipyard Ltd.	Tendering Stage
(k)	MPVs	Multi-Purpose Vessels	02	L&T Shipbuilding	Tendering Stage
(l)	CTS	Cadet Training Ships	03	L&T Shipbuilding	Tendering Stage
(m)	P75 (1)	AIP Submarines	06	Strategic Partnership Model	Indigenization drive for Equipment is in progress
(n)	SSP/FDN - 3	Floating Dock (Navy)-3	01	Hindustan Shipyard Ltd.	Tendering Stage
(o)	DSC	Diving Support Craft	05	Titagarh Wagons	Under Construction

II. Shipbuilding Projects of Indian Navy on the Anvil / Planning Phase. This forms longer term business target for Marine Electricals spanning over next few years:

Ser	Project	No. of Ships
(a)	LPD, Landing Platform Dock	04
(b)	ASV-MCM, Autonomous Surface Vessels for Mine Counter Measure Operations	10
(c)	Survey Training Vessel	01
(d)	NGC, Next generation Corvettes	07
(e)	NGF, Next Generation Frigates	07
(f)	NGD, Next Generation Destroyers	08
(g)	IAC 2, Indian Aircraft Carrier - 2	01
(h)	Fast Interceptor Craft	20
(I)	Semi-submersible Autonomous Vessel for Intelligence, Operations & Reconnaissance (SAVIOR) - ASW	40
(j)	FDN - MDL	01
(k)	National Hospital Ship	01
(l)	Midget Submarine (HSL)	02
(m)	Landing Crafts	06
(n)	Next Generation Fast Attack Crafts (NG FACs)	07
	Total	**115**

III. In addition to the Indian Navy, the Indian Coast Guard is also engaged in a massive expansion plan and is in the process of acquiring various craft to strengthen the maritime boundaries of the country.

IV. However, the performance of private shipbuilding industry has been much better in terms of project completion mainly attributable to less complex weapons and sensors, leading to timely completion of the project. The various shipbuilding projects of Indian Coast Guard in progress / planning phase are as below.

Ser	Project	Quantity	Shipyard
(a)	Fast Patrol Vessel	05	Goa Shipyard Ltd (Awarded in Mar 22)
(e)	Training Ship	01	RDEL NCLT, Retender in progress
(g)	Interceptor Boats	15	BDIL
(h)	FSB	05	BDIL
(I)	Pollution Control Vessel	02	Goa Shipyard Limited
	Total	**28**	

V. Shipbuilding Projects of Coast Guard in Planning Phase: Which would add to the business target over coming decade:

Ser	Project	No. of Ships
(a)	New Generation Fast Patrol Vessels (RFI 08 Jun 21)	18
(b)	OPVs (RFI 28 Feb 2022)	06
(c)	Air Cushion Vessel	06
	Total	**30**

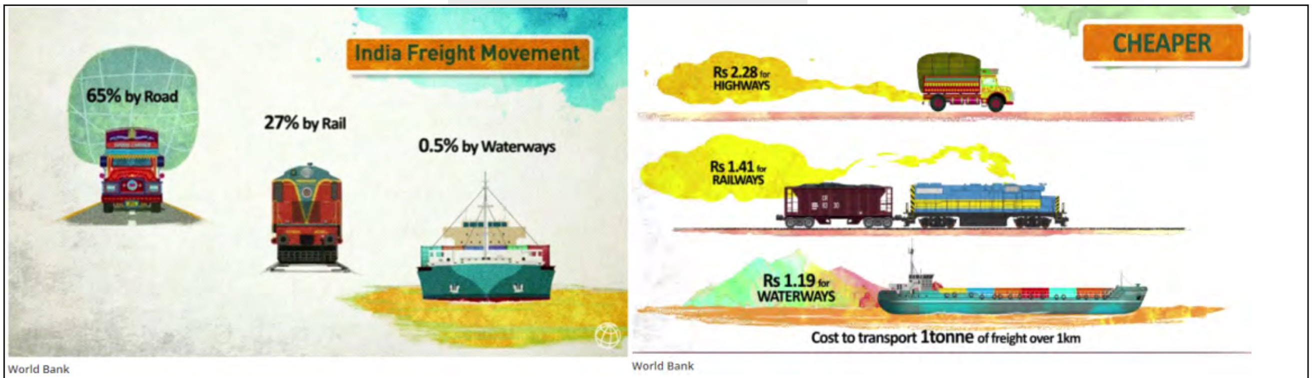
Marine Electricals' Prime Equipment such as Integrated Bridge System, NAVCOM systems including navigation radars, Main Switchboard, assorted control panels, alarm monitoring systems and a host of data aggregation control systems for fire, flood and auxiliary machinery control systems are needed by all above ships. This forms a significant established business segment for the naval division of Marine Electricals. We have reached maturity of series production for some equipment like ruggedized UPS and solid-state Auto Transfer Switch. Our portfolio of Integrated Platform Management System (IPMS) is also expected to expand after empanelment of IHQ MoD(Navy) for warships.

VI. Inland Water Transport (IWT): Our Commercial Marine division has a great opportunity unfolding in IWT in the foreseeable future. Commencing from power & NAVCOM package to equipment supplies, and supply of complete small electrical propulsion boats; we can look forward to a big business landscape. The summary of IWT business panorama is depicted below:

Relatively Untapped Opportunity in India despite having higher density of rivers

Source: World Bank Database: https://www.worldbank.org/

Huge Possibility of Water Transport Growth in India



Source: World Bank Database: https://www.worldbank.org/

To create a country wide waterways network and to promote inland water transport in the country as an economical, environment friendly supplementary mode of transport to rail and road, **111 inland waterways** have been planned and many are under execution stage. The Inland Water Transport (IWT) mode is widely recognized as a fuel efficient, environment friendly and cost effective mode, especially for bulk goods, over dimensional cargo and hazardous goods. The primary requirement of making this mode commercially viable is development of IWT infrastructure (fairway, terminals and NAV COM) and at the same time creating and enabling environment for augmentation of IWT fleet, primarily by the private sector. Keeping in view that India has a coastline of 7,500km, and In Land Waterways (ILW) potential of over 20,000 kms; ship building and ship repair have been recognised as key sectors under Make In India (MII) initiative. We have started receiving orders from the projects under IWT.

Repair and Maintenance Services

With the growing ship repair and technical services sector, our services business of marine and defence sector also continues to be healthy and expected to grow along with the buoyant business scenario. Our navigation and Communication services business also grows in sync with the growth of ship repair and technical services opportunity.

We have over 30 types of electrical / electronic equipment approved by Govt of India (DGQA) and is growing further. We offer Annual Maintenance Contracts (AMC) and Rate Repair Contracts (RRC) for all our equipment. MEIL has branch offices in 12 locations, mostly around the coast, for providing water front support to our customers. These AMC/ RRC provide a parallel sustained derivative business stream for us.

Business Domain Expansion: Marine Electricals has taken timely steps for horizontal and vertical expansions into related fields for better benefits at lower risk such as:

Broadened Industrial Customer Base: Datacenters, Steel, Cement, Chemical, Pharma and Automobile industries, High rise buildings using own patented solutions for LV (MEcubE3), MV (MEpoweR3), Busduct solution etc.

Geographical Expansion in Industrials

Entering South India with acquisition of Eltech Engineers

Exploring acquisition opportunities to enter North & Eastern India

Metro Rails: Electrical Products and Sensors

Indian Railways: Electrical Equipment and Lights

Ports: Vessel Traffic Management System, Port management systems for port operations

Electric Vehicles: Charging Stations for Fast Charging

Expanding Solution Offerings in Marine

Exploring new businesses such as Small autonomous vessels and E-Ferries

Providing IPMS for commercial ships, working on expanding it to Naval Ships

Focusing on complete installation package for Naval Ships

Targeting to receive Service Contract for Degaussing System and Weapon Systems

Achieved Business Parameters: The Y-O-Y growth parameters of MEIL are outlined as below. As can be observed the growth trends of MEIL are following/ exceeding the growth trends of the sector.

(Amount in Lakhs)

Year	Order Book*	Revenue/ Sales*	PBIT*
2022-23	48,630.00	39,127.13	2,636.54
2021-22	35,620.00	32,288.56	1,763.71
2020-21	44,100.00	19,987.37	1,085.82
2019-20	40,170.19	20,771.13	1,572.78
2018-19	18,786.00	32,323.03	1,728.33
2017-18	16,087.40	28,766.39	2,266.86
2016-17	4,361.24	20,944.17	1,875.94

Competitive Scenario : MEIL has the first mover's advantage. It has been able to resist and sustain the aggressive moves and postures of the new incomers in this business domain. The International players do pose a challenge but, MEIL product quality and market reputation are also at par with International brands. We make all endeavors to maintain and sustain international quality and maturity in our products, processes and product life cycle support.

D. OVERALL BUSINESS AND GROWTH STRATEGY

Marine Electrical intends to be one of the top ten players in the global marine market. We will realise this by becoming a true life cycle management partner, combining two key roles as system integration partner and maintenance partner to all our customers and constantly focus on exceeding their expectations. And last but not least, we are dedicated to create smart and green solutions at a competitive cost of ownership.

Marine Electricals will provide high quality Industrial solutions for LV, MV & Automation addressing requirements of diverse customers through superior technology & manufacturing standards. We aspire to take leadership position in Western region of India.

A focus on power plants, the automotive industry, pharmaceuticals, chemicals and petrochemicals, the energy and environment market, pharmaceuticals, machine building, oil & gas, and the aircraft industry.

E. SAFETY AND ENVIRONMENT CLEARANCES OUTLOOK

We continuously seek to improve safety and reliability at all our production facilities. Our production facilities have been awarded the ISO Certification for maintaining quality and environment management standards.

F. STATUTORY COMPLIANCE

The Company Secretary Cum Compliance Officer ensures compliance with SEBI Regulations and Listing Agreement , Guidelines of Insider Trading and Companies Act 2013.

G. INTERNAL CONTROL SYSTEMS

The Company's Internal Control System has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The audit committee reviews reports presented by the internal auditors. The committee makes note of the audit observations and takes corrective actions, if necessary. It maintains constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively

H. RETURN ON NETWORTH (CONSOLIDATED)

The return on networth for the financial year 2022-23 is 10.83 % as compared to 8.65% for the financial year 2021-22.

I. CAUTIONARY STATEMENT

The management discussion and analysis report containing your company's objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and regulations. The statements in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the company's operation include raw material availability and prices, cyclical demand and pricing in the company's principal markets, changes in the governmental regulations, tax regimes, forex markets, economic developments within India and the countries with which the company conducts business and other incidental factors.

Corporate Governance Report

I. Philosophy on Code of Governance

Your Company believes that sound ethical practices, transparency in operations and timely disclosures go a long way in enhancing long-term shareholders value while safeguarding the interest of all the stakeholders. It is this conviction that has led the Company to make strong corporate governance values intrinsic in all operations. The Company is led by a distinguished Board. The Board provides a strong oversight and strategic counsel. The Company has established systems and procedures to ensure that the Board of the Company is well-informed and well-equipped to fulfill its oversight responsibilities and to provide management the strategic direction it needs to create long-term shareholders value.

The Company has adopted a Code of Conduct for its Board of Directors and Senior Management Personnel and its employees. The Company also laid down under Insider Trading Regulations, Insider Trading Code and Code on fair disclosure of unpublished price sensitive information to safe guard interest of the shareholders.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations (LODR) as applicable, with regards to corporate governance.

II. Board of Directors - Board diversity

Company recognizes the benefits of a Board that possesses a balance of skills, experience, expertise and diversity for effective decision making. Diversity at the Board level is an important element in strong corporate governance. The Board diversity enhances decision-making capability and a diverse Board is more effective in dealing with organizational changes and less likely to suffer from group thinking. The Board diversity policy adopted by the Board is available on the website of the Company at
https://www.marineelectricals.com/images/policies/Board-Diversity-Policy.pdf

a) Composition:

Regulation 17 of the SEBI Listing Regulations (LODR) has mandated that where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors. Further SEBI Listing Regulations (LODR) (Amendments) 2018 has mandate the Board of top 1000 listed companies to have at least one Independent Woman Director on the Board. The Board of the Company is having appropriate mix of Executive, Non-Executive and Independent Directors.

As on March 31, 2023, the Board comprises of total One Chairman and Executive Director, One Managing Director, One Executive Director, One Non-executive Non-Independent Director and five Non- Executive Independent Director (including 1 Woman Non- Executive Independent Director). Hence, the composition of the Board is in conformity with SEBI Listing Regulations (LODR) and amendments thereof.

The details of Board members along with their tenure during the Financial year 2022-23 are as follows:

Name of Director	Designation	Date of Appointment	Date of Re-appointment	Date of Cessation
Mr. Vinay K Uchil	Chairman & Executive Director	04-12-2007	01-08-2021	-
Mr. Venkatesh K Uchil	Managing Director	04-12-2007	01-08-2021	-
Mr. Mohan Rao	Non-Executive Independent Director	30-05-2020	30-05-2023	-
Mr. Nikunj Mishra	Non-Executive Independent Director	11-07-2018	11-07-2023	-
Mr. Vikas Jaywant	Non-Executive Independent Director	24-02-2020	-	-
Mr. Madan Pendse	Non-Executive Independent Director	11-07-2018	11-07-2023	-
Mr. Shailendra Shukla	Executive Director	07-12-2018	-	-
Dr. Tanuja Pudhierkar	Non-Executive Non Independent Director	01-08-2018	-	-
Ms. Archana Venkata Rajagopalan	Non-Executive Independent Director	23-02-2021	-	-

b) **Details of the Directorships and Committee Chairmanship/membership held by the Directors in other public companies as on 31st March, 2023 are as under:**

Name of Director	Number of Equity Shares heald	No. of Directorships in other Public Limited Companies	No. of Board Committees of other companies in which Member/Chairperson 1&2		No. of Board Committees of the Company (MEIL) in which Member/ Chairperson (3)		Name of the other Listed Entity(ies) in which the Director hold Directorship
			Member	Chairperson	Member	Chairperson	
Mr. Vinay K Uchil	7,29,000	2	0	0	3	2	0
Mr. Venkatesh K Uchil	2,77,72,375	2	0	0	1	0	0
Dr. Tanuja Pudhierkar	1000	0	0	0	1	0	0
Mr. Nikunj Mishra	-	0	0	0	2	1	0
Mr. Shailendra Shukla	-	0	0	0	1	0	0
Mr. Madan Pendse	-	5	0	0	2	2	0
Mr. Vikas Jaywant	-	0	0	0	2	0	0
Mr. Mohan Rao	-	0	0	0	2	0	0
Ms. Archana Venkata Rajagopalan	-	0	0	0	1	0	0

Notes:

1. Directorship(s) and membership(s)/ Chairmanship(s) in the Committees of the Board of Directors exclude Marine Electricals (India) Limited, foreign Companies, Companies formed under Section 25 of the Companies Act, 1956 and Section 8 of the Companies Act, 2013.
2. Chairmanship/ Membership of Committee includes the Audit Committee /Nomination & Remuneration Committee/Corporate Social Responsibility (CSR) Committee/Stakeholders' Relationship Committee in other Indian Public Companies (Listed and Unlisted & excludes Marine Electricals (India) Limited).
3. Chairmanship/ Membership of Committee include the Audit Committee /Nomination & Remuneration Committee/Corporate Social Responsibility (CSR) Committee/Stakeholders' Relationship Committee / Risk Management Committee in Marine Electricals (India) Limited.
4. None of the Directors hold Directorship in more the Seven (7) Listed Entities as per Regulation 17A of the Listing Regulations.
5. No Director holds membership(s) of more than Ten (10) Committees of any Board, nor, is a Chairperson of more than Five (5) Committees of any Board across all listed companies with which he/ she is associated as a Director.
6. The particulars of Director seeking re-appointment at the forthcoming AGM are provided in the Notice to the Annual General meeting. The brief profile of the Directors is also placed on the website of the Company.
7. The tenure of the Independent Directors is in compliance with the Companies Act, 2013. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under SEBI Listing Regulations (LODR) and Section 149 of the Companies Act, 2013. In the opinion of the board, the independent directors fulfill the conditions specified in SEBI Listing Regulations and Independent Directors are independent of the management.
8. None of the Directors have any inter-se relation among themselves except Mr. Vinay Uchil, Mr. Venkatesh Uchil and Dr. Tanuja Pudhierkar.

C) Board Meetings

The Board met Six (6) times during the financial year 2022-23 viz. 27th May, 2022; 4th August, 2022; 22nd August, 2022; 30th September, 2022, 14th November, 2022 and 13th February, 2023 and the particulars of attendance of the Directors are as under:

Name of Director	Attendance at AGM held on 19/09/2022	No. of Board meeting held during tenure	No. of meeting attended
Mr. Vinay K Uchil	Yes	6	6
Mr. Venkatesh K Uchil	Yes	6	5
Dr. Tanuja Pudhierkar	Yes	6	5
Mr. Shailendra Shukla	Yes	6	6
Mr. Madan Pendse	Yes	6	4
Mr. Nikunj Mishra	Yes	6	5
Mr. Vikas Jaywant	Yes	6	6
Mr. Mohan Rao	Yes	6	6
Ms. Archana Venkata Rajagopalan	Yes	6	5

d) Independent Directors:

The appointment of Independent Directors is carried out in a structured manner in accordance with the provisions of the Act and the SEBI Listing Regulations. The Nomination & Remuneration Committee of the Board identifies candidates based on certain laid down criteria and takes into consideration the need for diversity of the Board and accordingly makes its recommendations to the Board. Independent Directors play a significant role in the governance processes of the Board. By virtue of their varied experience & expertise, they enrich the Board's decision-making and prevent possible conflicts of interest that may emerge in such decision-making.

e) Meeting of Independent Directors:

Schedule IV of the Companies Act, 2013 and the Rules thereunder mandate that the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent Directors and members of the Management. During the year under review, separate meeting of the Independent Directors was held on 13th February, 2023 to review the performance of Non-Independent Directors, Chairman and the Board as whole. The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company at: https://www.marineelectricals.com/images/policies/Terms-and-Conditions-of-Appointment-of-Directors.pdf

f) Details of the Familiarization Programme for Independent Directors:

The Independent Directors are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The details of the Familiarization Programme undertaken by the Company during the FY 2022-23 is mentioned in the Corporate Governance Report which is part of this Annual Report and is also available on the website of the Company at : https://www.marineelectricals.com/images/policies/Familiarization-Programme.pdf

g) **Board Skill/ Expertise/ Competence**

The Board skills matrix provides a guide as to the skills, knowledge, experience, personal attributes and other criteria appropriate for the Board of the Company. The template is designed to capture the skills of the current Board, assist in the recruitment of future directors if necessary and provide guidance for the Board in its succession planning.

The Board is a skill - based Board comprising directors who collectively have the skills, knowledge and experience to effectively govern and direct the Company. The Board has identified the skills and attributes required by Company directors which can be broadly categorized as follows:

Skill area	Description	Importance of Skill (essential, desirable, able to rely on external advice)
Knowledge of the Company's business and the Industry in which the Company operates	Ability to identify key issues and opportunities for the Company within the Electrical & Electronic , Marine industry and develop appropriate policies to define the parameters within which the organisation should operate.	Essential
Strategy	Ability to think strategically, identify and critically assess strategic opportunities, threats and develop effective strategies for the Company.	Essential
Financial Skills	Qualifications and experience in accounting or finance and the ability to: -analyse key financial statements; -critically assess financial viability and performance; - contribute to strategic financial planning; -oversee budgets and the efficient use of resources; and - oversee funding arrangements and accountability.	Desirable
Board Service and Governance	Service on other public company boards, to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices.	Desirable
Leadership & Management Skills	Extended entrepreneurial / leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth.	Essential

The following is a list of core skills/expertise/competencies mapped with every Director of the Company identified by the Board of Directors of the Company as required in the context of the Company's business(es) and sector(s) for the Company to function effectively and those available with the Board :

Core Skill/ expertise / competencies	Mr. Vinay Uchil	Mr. Venkatesh Uchil	Mr. Madan Pendse	Mr. Vikas Jaywant	Mr. Mohan Rao	Ms. Archana Rajagopalan	Mr. Nikunj Mishra	Mr. Shailendra Shukla	Dr. Tanuja Pudhierkar
Knowledge of the Company's business and the Industry in which the Company operates	✓	✓	✓	✓	✓	✓	✓	✓	✓
Strategy	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial Skills	✓	✓	✓	✓	-	✓	-	✓	-
Board Service and Governance	✓	✓	✓	✓	✓	✓	✓	✓	✓
Leadership & Management Skills	✓	✓	-	-	✓	-	✓	✓	✓

III. Committees of the Board

The Board has formed various Committees as required under Companies Act, 2013 and SEBI Listing Regulations (LODR). The Board reviews and amend the policies/terms of reference of the Committee as and when needed.

There are a total 6 (six) Board Committees as on 31st March 2023 and that have been constituted considering the best practices in Corporate Governance and in the best interest of the Company. These Committees review, discuss and monitor the activities falling within their terms of reference, the details of which are provided below:

i. Audit Committee

The Audit Committee is constituted as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations (LODR) read with Part C of Schedule II and amendments thereto. Members of the Audit Committee possess financial /accounting expertise. The Audit Committee invites executives, as it considers appropriate, representatives of Statutory Auditors and Internal Auditors to present at its meetings. The Company Secretary acts as the secretary to the Audit Committee.

Composition:

Mr. Madan Pendse (Non-Executive Independent Director) - Chairman
Mr. Vikas Jaywant (Non-Executive Independent Director) - Member
Mr. Venkatesh Uchil (Executive Director) - Member

Meetings & Attendance:

During the year under review, the Committee met 4 (four) times on 27th May, 2022, 4th August, 2022, 14th November, 2022 and 13th February, 2023 and not more than one hundred and twenty days lapsed between two consecutive meetings of the Audit Committee.

Names of the Committee Members along with their attendance during the financial year are given below:

Name of Members	No. of Committee meetings held during tenure	No. of Committee meeting attended
Mr. Madan Pendse Non-Executive Independent Director	4	4
Mr. Vikas Jaywant Non-Executive Independent Director	4	4
Mr. Venkatesh K Uchil Executive Director	4	3

Powers of Audit Committee

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit committee, inter alia, includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending the appointment, remuneration and terms of appointment of auditors of the Company;
- Approving payment for any other services rendered by the Statutory Auditors;
- Reviewing, with the management, the Annual Financial Statements and Auditor's report thereon before submission to the Board for approval, with particular reference to:
- Matters required to be included in the Director's Responsibility Statement in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions;
- Modified opinion(s) in the draft Audit report;
- Reviewing, with the management, the quarterly Financial Statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of Internal Financial Controls and Risk Management Systems;
- Reviewing, with the management, performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems;

- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with Internal Auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the Board;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments.
- Reviewing compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 Verifying that the internal control system to prevent insider trading is adequate and working effectively
- Reviewing various risks identified as part of the risk register of the Company, which are within the scope of the Committee
- Review and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- Carrying out any other role or function as mentioned as prescribed under the Companies Act, 2013, the SEBI (Listing Obligation and Disclosure Requirements).
- **Review of Information by Audit Committee:**
- Management Discussion and Analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
- Review the statement of deviations:
- Qquarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ii) Nomination & Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted under Section 178 of the Companies Act, 2013 and pursuant to the provisions of Regulation 19 of SEBI Listing Regulations (LODR). The Committee has formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees. The Committee has developed the criteria for appointment of Independent Directors, Non-Executive Directors and Executive Directors in compliance with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 read with Part D of Schedule II and amendments thereto.

Composition:

Mr. Nikunj Mishra (Non-Executive Independent Director) - Chairman
Mr. Vinay Uchil (Executive Director) - Member
Mr. Mohan Rao (Non-Executive Independent Director) - Member
Ms. Archana Venkata Rajagopalan (Non-Executive Independent Director) - Member

Meetings & Attendance:

During the year under review, the Committee 2 (two) time viz; 27th May, 2022 & 4th August, 2022

Names of the Committee Members along with their attendance during the financial year are given below:

Name of Members	No. of Committee meetings held during tenure	No. of Committee meeting attended
Mr. Nikunj Mishra (Non-Executive Independent Director)	2	2
Mr. Vinay Uchil (Executive Director)	2	2
Mr. Mohan Rao (Non-Executive Independent Director)	2	2
Ms. Archana Venkata Rajagopalan* (Non-Executive Independent Director)	0	0

* The Nomination and Remuneration Committee was reconstituted on 13th December, 2022 through circular resolution & Ms. Archana Venkata Rajagopalan was added as a member of the Committee w.e.f. 13th December, 2022.

Terms of Reference:

- To identify persons who are qualified to become Directors and who may be appointed in Senior Management Level in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and to recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.

- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates.

- To formulate the criteria for evaluation of performance of Independent Directors and the Board.
- To carry out evaluation of every Director's performance.
- To devise a policy on Board diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- To deal with the matters relating to the remuneration payable to Whole Time Directors, Key Managerial Personnel and Senior Management Executives and commission, if any, to be paid to Non-Executive Directors, apart from sitting fees.
- To review the overall compensation policy, service agreement and other employment conditions of Whole Time Directors, Key Managerial Personnel and Senior Management Executives.
- To evaluate whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- To deal with other matters as the Board may refer to the Nomination and Remuneration Committee ("the Committee") from time to time.
- To recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

Nomination & Remuneration Policy:

The Company recognizes the competitive nature of the current labour market conditions and this requires the Company to provide competitive remuneration offering to Directors and employees to ensure that a high caliber of staff is attracted to the Company and retained once they have gained experience. The Company further acknowledges that it can only excel in service delivery through the exceptional performance of its people and that the remuneration offering to the Directors and employees plays a substantial motivational role when exceptional performance is compensated with exceptional rewards.

The Remuneration of Directors, Key Managerial Personnel and Senior Executives and Employees of the Company are decided based on predetermined criteria and as per the recommendation of the Committee. The Company will pay remuneration to Directors, Key Managerial Personnel and Senior Executives and Employees by way of fixed component i.e. salary, retirement benefits perquisites, allowances and by way of the Committee and approval of the Board of Directors and shareholders, if applicable and shall be governed by the provisions of the Companies Act, 2013, rules framed thereunder and the notifications issued by the Ministry of Corporate Affairs from time to time.

The Nomination and Remuneration policy is also available on the web site of the Company at: https://www.marineelectricals.com/images/policies/Nomination-n-Remuneration.pdf

Criteria for appointment and performance evaluation - related remuneration for Directors/Key Managerial Personnel and Senior Executives of the Company.

- At the time of selection of a Director the Company must examine the integrity of the person and possession of relevant expertise, qualifications and experience.

- In case of appointment of Independent Director, the Company must observe the pecuniary relationship with the promoters and group companies.
- The level and composition of remuneration should be reasonable and sufficient to attract, retain and motivate Directors/executives to run the Company successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Financial and operating performance vis-à-vis the Annual and Operating Budget of the Company.
- Remuneration of Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- External Competitiveness: The quantum and nature of the total offering to Directors and employees determines how competitive the Company is in recruiting and retaining them. The appropriate mix of guaranteed benefits and incentives further enhances the Company's ability to motivate them in a manner that will improve the Company's competitiveness.
- The size and complexity of a position is determined through a valid job evaluation system and individual performance is measured through the established and approved Performance Management System.
- Remuneration recognizes and rewards both high levels of competence and superior performance through the use of incentive bonuses linked to performance.
- The Nomination and Remuneration Committee shall consider whether the Directors are eligible for annual bonuses. If so, performance conditions should be relevant, stretching and designed to promote the long term success of the Company. Upper limits should be set and disclosed.
- The said Committee shall consider whether the Directors are eligible for benefits under long-term incentive schemes. Any new long-term incentive schemes which are proposed should be approved by shareholders.
- Remuneration incentives should be compatible with risk policies and systems, if any.
- The above committee shall consider the consequences and associates costs to the Company if basic salary increases and any other changes, whenever required.

Performance Evaluation Criteria for Independent Directors: The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. The Committee has formulated criteria and questionnaires to evaluate the performance of Board, its Committees and Individual Directors including the Independent Directors. The performance evaluation criteria are determined by the Committee taking into consideration the composition of the Board, role of the Directors and Committees etc. An indicative list of factors that may be evaluated include level of engagement and contribution by a director, independence of judgment, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality.

Based on the feedback received on the questionnaires, the performance of every Director was evaluated. Independent Directors at their separate meeting carried out evaluation on the performance of Non Independent Directors and Board as a whole. Chairman's evaluation was carried out by entire Board of Directors including the Independent Directors.

Remuneration to Directors

Details of Remuneration, Sitting fees, Commission and professional fee paid to Directors during the financial year 2022-23 are given below:

Sr. No.	Name of Director	Sitting Fees (Rs. in Lakhs)	Annual Remuneration/ Commission* (Rs. in Lakhs)	Professional fees (Rs. in Lakhs)	Employee Stock Option Scheme (ESOP)
	Executive Director				
1	Mr. Vinay K Uchil	-	60	-	-
2	Mr. Venkatesh K Uchil	-	60	-	-
	Non-Executive Director				
3	Mr. Madan Pendse	1.10	-	-	-
4	Mr. Nikunj Mishra	1.05	-	-	-
5	Mr. Vikas Jaywant	1.40	-	-	-
6	Mr. Mohan Rao	1.20	-	-	-
7	Ms. Archana Venkata Rajagopalan	0.75	-	-	-

Notes:

Pecuniary relationship or transactions with Non-Executive Directors:

Dr. Tanuja Pudhierkar, Non Executive Non Independent Director of the Company is related to Mr, Vinay Uchil and Mr. Venkatesh Uchil. However, there were no pecuniary relationship or transaction with Non Executive Director during FY 2022-23.

Guaranteed Portion of Remuneration:

Executive Directors and employees are receiving guaranteed portion of their total package on a monthly basis. The total package includes in it guaranteed benefits such as employer's contribution to retirement funds i.e. provident fund and/or pension & gratuity and/or medical aid funds and/or group life insurance fund contribution etc. as applicable.

Variable Portion of Remuneration:

Incentive bonus to reward employees for exceptional performance above the accepted standard and is variable. These rewards are based on individual, departmental or Company' performance relative to predefined targets. Performance is measured over a 12 months period. Vehicle allowance and telephone expenses are flexible remuneration options available to the employees.

Remuneration of Executive Directors:

For deciding remuneration of the Executive Directors, the Committee considers the performance of the Company, the current trends in the industry, their experience, past performance and other relevant factors. The Committee regularly keep track of the market funds in terms of compensation levels and practices in relevant industries.

The Company may pay remuneration by way of salary, remuneration and/or commission (variable components) to its Executive Directors. Annual increments may be decided by the Committee within salary scale approved by the members.

Remuneration of Non-Executive Directors:

The Non-Executive Directors are paid remuneration by way of sitting fees. The Company pays a sitting fee per meeting of the Board and the Committee (as may be decided from time to time) to the Non-Executive Directors for attending the meetings within the limit prescribed under the Act.

An Independent Director may receive remuneration by way fees provided under sub-section (5) of Section 197 of the Act, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members of the Company. The terms & conditions of appointment of Independent Directors are also available on the website of the Company at: https://www.marineelectricals.com/images/policies/Criteria-for-making-payment-to-Non-Executive-Directors.pdf

iii) **Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee is constituted pursuant to Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations (LODR).

Composition:

Mr. Madan Pendse (Non-Executive Independent Director) - Chairman
Mr. Mohan Rao (Non-Executive Independent Director) - Member
Mr. Shailendra Shukla (Executive Director) - Member

Meetings & Attendance:

During the year under review, the Committee met 1 (One) time viz 27th May, 2022.

Name of the Committee Members along with their attendance during the financial year 2022-23 are given below:

Name of Members	No. of Committee meetings held during tenure	No. of Committee meeting attended
Mr. Madan Pendse Non-Executive Independent Director	1	1
Mr. Mohan Rao (Non-Executive Independent Director)	1	1
Mr. Shailendra Shukla (Executive Director)	1	1

Designation & address of Compliance Officer

Ms. Mitali Ambre
Company Secretary of the Company
Marine Electricals (India) Limited
B/1, Udyog Sadan No.3, MIDC, Andheri (E), Mumbai - 400093
E-mail ID: cs@marinelectricals.com
Phone No: 02240334300

The "SCORES" website of SEBI for redressing of Grievances of the Investors is being visited at regular intervals by the Company Secretary and there are no pending complaints registered with SCORES for the financial year ended on 31st March, 2023.

Terms of Reference:

- The Committee looks into the various aspect of interest of investors such as transfer of shares, non-receipt of declared dividend/notices/ annual reports, etc.
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividend, issue of new/duplicate certificates, general meeting etc.

- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & share Transfer Agent.
- Review of the various measures and initiative taken by the listed entity for reducing the quantum of unclaimed dividend and ensuring timely receipt of dividend warrant/annual report/statutory notices by the shareholders of the Company.

Details of Investor Complaints:

Number of Complaints from 01.04.2022 to 31.03.2023			
Complaints as on 01.04.2022	**Received during the FY**	**Redressed during the FY**	**Pending as on 31.03.2023**
Nil	0	0	Nil

iv) Corporate Social Responsibility (CSR) Committee

The Company has constituted a CSR Committee as required under Section 135 of the Companies Act, 2013. The Company has developed a CSR Policy which is available on the website of the Company at https://www.marineelectricals.com/images/policies/Corporate-Social-Responsibility-Policy-CSR.pdf

Composition:

Mr. Vinay Uchil (Chairman and Executive Director) - Chairman
Dr. Tanuja Pudhierkar (Non-Executive Non-Independent Director) - Member
Mr. Vikas Jaywant (Non-Executive Independent Director) - Member
Mr. Nikunj Mishra (Non-Executive Independent Director) - Member

Meetings & Attendance:

During the year under review, the Committee met 1 (One) time viz; 27th May, 2022.

Name of the Committee Members along with their attendance during the financial year 2022-23 are given below:

Name of Members	No. of Committee meetings held during tenure	No. of Committee meeting attended
Mr. Vinay Uchil (Chairman and Executive Director)	1	1
Dr. Tanuja Pudhierkar (Non-Executive Non-Independent Director)	1	1
Mr. Vikas Jaywant (Non-Executive Independent Director)	1	1
Mr. Nikunj Mishra (Non-Executive Independent Director)	1	1

Terms of Reference:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII;
- To recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- To monitor the Corporate Social Responsibility Policy of the company from time to time.

- To formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:-
  - (i) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013;
  - (ii) the manner of execution of such projects or programmes as specified in sub rule (1) of rule 4 of the Companies (CSR) Rules, 2014;
  - (iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- Monitoring and reporting mechanism for the projects or programmes; and details of need and impact assessment, if any, for the projects undertaken by the company.
- The Board of every company shall –(a) After taking into account the recommendations made by the Corporate Social Responsibility Committee, approve the CSR Policy for the company and disclose contents of such Policy in its report and also place it on the company's website, if any.(b) Ensure that the activities as are included in the CSR Policy of the company are undertaken by the company.The Board shall ensure that the CSR activities are undertaken by the company itself or through eligible entities.

v) Risk Management Committee

Pursuant to the SEBI (LODR) (2ND Amendment) Regulations, 2021, Regulation 21 and Part D of Schedule II of the SEBI (LODR) Regulations, 2015, the Company has constituted Risk Management Committee.

The Committee shall comprise of Board members to identify various risks that the Company is exposed to and frame, implement and monitor the risk management plan for the Company.

The objective of the Risk Management policy is to ensure that the Board, its Audit Committee and its executive management should collectively identify the risks impacting the Company's business and document their process of risk identification, risk minimization, risk optimization as a part of a risk management policy or strategy.

The Risk Management Policy of the Company is available on
https://www.marineelectricals.com/images/policies/Risk-Management-Policy-under-New-Companies- Act-GIL.pdf

Composition:

Mr. Vinay Uchil (Chairman and Executive Director) - Chairman
Ms. Archana Venkata Rajagopalan (Non-Executive Independent Director) - Member
Mr. U.M. Bhaktavalsalan (Chief Financial Officer) - Member

Meetings & Attendance:

During the year under review, the Committee met 2 (Two) times viz; 25th July, 2022 & 18th January, 2023.

Name of the Committee Members along with their attendance during the financial year 2022-23 are given below:

Name of Members	No. of Committee meetings held during tenure	No. of Committee meeting attended
Mr. Vinay Uchil (Chairman and Executive Director)	2	2
Ms. Archana Venkata Rajagopalan (Non-Executive Independent Director	2	2
Mr. Namita Sethia (Chief Financial Officer)*	1	1
Mr. U.M. Bhaktavalsalan (Chief Financial Officer)**	1	1

* Ms. Namita Sethia resigned from the post of CFO w.e.f. 30th July, 2022 and thus cease to be a member of the Committee.

** Mr. U.M. Bhaktavalsalan was appointed as CFO of the Company and was added as a member of the Committee w.e.f. 4th August, 2022

Terms of Reference:

- To formulate a detailed risk management policy which shall include:
  - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c) Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

vi. Other Committees

Apart from the above statutory committees, the Board of Directors has constituted the following Committee to raise the level of governance and also to meet the specific business needs.

General Purpose Committee (GPC): The Board of Directors had formed General Purpose Committee by passing board resolution at its meeting held on 12th March, 2020 where by they delegated the power to carry out routine day to day operations matters including bidding for tenders, Opening and closure of Bank accounts, Approval for laisoning with various Government departments, attending hearings, submitting affidavits on behalf of the Company, etc to GPC committee. Further the Board of Directors by passing Board resolution in its meeting held on 7th June, 2021 delegated the powers mentioned in clause (d) to (f) of Section 179(3) of the Companies Act, 2013 to the General purpose Committee within the overall limits approved by the shareholders for the said purpose.

Composition:

Mr. Vinay Uchil (Chairman and Executive Director) - Member
Mr. Venkatesh Uchil (Managing Director) - Member

Meetings & Attendance:

During the year under review, the Committee met 16 (Sixteen) times viz; 01.04.2022, 04.04.2022, 28.04.2022, 06.05.2022, 30.05.2022, 08.07.2022, 12.08.2022, 30.08.2022, 01.09.2022, 22.09.2022, 23.09.2022, 20.10.2022, 16.12.2022, 01.02.2023, 02.03.2023, 06.03.2023

Name of the Committee Members along with their attendance during the financial year 2022-23 are given below:

Name of Members	No. of Committee meetings held during tenure	No. of Committee meeting attended
Mr. Vinay Uchil (Chairman and Executive Director)	16	16
Ms. Venkatesh Uchil (Managing Director)	16	16

Terms of Reference:

- Bidding for tenders for any projects relating to business of the Company and finalizing the terms and conditions of the said tenders & executing any documents severally by either the Chairman or the Member of the Committee being Mr. Vinay Uchil or Mr. Venkatesh Uchil, respectively, as may be required to qualify, bid and get the contract awarded to the Company.
- Opening and closure of Bank accounts of the Company, finalizing the terms and conditions of the same, and other such documents as may be required for executing severally by either the Chairman or the Member of the Committee being Mr. Vinay Uchil or Mr. Venkatesh Uchil, respectively.
- Approval for affixing the Digital Signature of either the Chairman or the Managing Director on the bid documents or any other incidental document.
- Approval for laisoning with various Government departments, attending hearings, reply to show cause notice like GST, Income Tax, RBI, Stock Exchange, Ministry of Corporate Affairs (MCA) etc. and others with respect to various issues and issuing Letter of Authorisation to Employees of the Company for the same.
- Routine Day to day operations matters
- The powers mentioned in clause (d) to (f) of Section 179(3) of the Companies Act, 2013 delegated to the General purpose Committee within the overall limits approved by the shareholders for the said purpose which include:

  (d) to borrow monies;

  (e) to invest the funds of the company;

  (f) to grant loans or give guarantee or provide security in respect of loans

Senior Management:

Particulars of senior management including the changes therein since the close of the previous financial year:

During the year under review, Ms. Namita Sethia tendered her resignation from the post of Chief Financial Officer with effect from 30th July, 2022. Mr. U.M. Bhakthavalsalan was appointed as Chief Financial Officer in the Board Meeting held on 4th August, 2022. There were no other changes in Senior Management.

IV. General Body Meetings

(i) Annual General Meetings (AGM):

Location, date and time of the Annual General Meeting held during the last 3 years.

Financial Year	Date	Time	Location	Special Resolutions Passed
15th AGM 2021-22	**19th September 2022**	11:30 am	Through Video conferencing	1. To consider re-appointment of Mr. Madan Pendse (DIN: 07650301) as an Independent Director for a second and final term of 3 (three) years effective from 11th July, 2023 till 10th July, 2026 and continuation of directorship after attainment of 75 years of age. 2. To consider re-appointment of Mr. Nikunj Mishra (DIN: 03589730) as an Independent Director for a second and final term of 5 (five) years effective from 11th July, 2023 till 10th July, 2028. 3. To consider re-appointment of Mr. Mohan Rao (DIN: 02592294) as an Independent Director for a second and final term of 3 (three) years effective from 30th May, 2023 till 29th May, 2026 and continuation of directorship after attainment of 75 years of age. 4. To consider and approve change in Designation of Mr. Shailendra Shukla (DIN: 08049885) from Non Executive Non Independent Director to Executive Director. 5. Alteration of the Clause 4(ii) of the Articles of Association of the Company 6. Issue of Convertible Warrants on Preferential Basis.
14th AGM 2020-21	**28th September 2021**	11:30 am	Through Video conferencing	1. To Re- Appoint Mr. Vinay Uchil (DIN 01276871) as Chairman and Executive Director and fixation of remuneration. 2. To Re-Appoint Mr. Venkatesh Uchil (DIN: 01282671) as Managing Director and fixation of Remuneration.
13th AGM 2019-20	**28th September 2020**	11:30 am	Through Video conferencing	None

Postal Ballot Resolution: There were no special resolutions passed through Postal Ballot during FY 2022-23. Accordingly, details relating to postal ballot are not applicable.

All resolutions moved at the last years AGM, were passed by means of electronic voting, by the requisite majority of members.

ii) Means of Communication

The Company recognizes communication as a key element to the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituencies.

Financial Results: The Quarterly, Half Yearly and Annual Results are regularly submitted to the National Stock Exchange of India Limited (NSE) as well as uploaded on the Company's website and are published in newspapers, namely the Free Press Journal (English) & Navshakti (Marathi).

Additionally, the results and other important information are also periodically updated on the Company's website https://www.marineelectricals.com/newspaper-publication.html in the "Investors" section.

Investors / Analyst Meets: Transcripts and audio/video recordings of analyst meets are available on the Company's website: https://www.marineelectricals.com/disclosure-reports.html

Website: The Company's website is a comprehensive reference on its leadership, management, vision, policies, corporate governance, sustainability and investor relations. The Members can access the details of the Board, the Committees, Policies, Board committee Charters, financial information, statutory filings, Shareholding information, details of unclaimed dividend and shares transferred / liable to be transferred to IEPF, frequently asked questions, etc. In addition, various downloadable forms required to be executed by the shareholders have also been provided on the website of the Company at https://www.marineelectricals.com/

Annual Report: The information regarding the performance of the Company is shared with the shareholders vide the Annual Report. The Annual Reports for FY 2022-23 are being sent in electronic mode, to all members who have registered their email ids for the purpose of receiving documents / communication in electronic mode with the Company and / or Depository Participants. The Annual Reports are also available in the "Investors" section on the Company's website https://www.marineelectricals.com/annual-report.html

Electronic Communication: The Company had during FY 2022-23 sent various communications including Annual Reports, by email to those shareholders whose email addresses were registered with the Company / Depositories. In support of the 'Green Initiative' the Company encourages Members to register their email address with their Depository Participant or the Company, to receive soft copies of the Annual Report, Notices and other information disseminated by the Company, on a real-time basis without any delay.

Scores: A centralized web based complaints redress system 'Scores' which serves as a centralized database of all complaints received, enables uploading of Action Taken Reports by the concerned companies and online viewing by the investors of actions taken on complaint and its current status.

Green Initiative: All agenda papers for the Board and Committee Meetings are disseminated electronically on a real-time basis, by uploading them on a secured online application.

Whether MD&A is a part of annual report or not: Management Discussion and Analysis Report is part of the Annual report and Report forms part of this Annual Report which gives a detailed information of state of affairs of the operations of the Company and its subsidiaries.

V) General Shareholder Information

1. 16th Annual General Meeting

Day & Date : Tuesday, 26th September, 2023
Time : 11:30 am
Venue : through Video Conferencing

The Company follows the financial year from 1st April to 31st March. The Financial Year was from April 01, 2022 to March 31, 2023.

Results for the Quarter ending (Tentative):
June 30, 2023 on or before 14th August, 2023
September 30, 2023 on or before 14th November, 2023
December 31, 2023 on or before 14th February, 2024
March 31, 2024 on or before 30th May, 2024
Date of Book Closure: Tuesday, 19th September, 2023.

2. **Dividend:**

No Dividend has been recommended for the financial year ended 31st March, 2023.

3. **Unclaimed Dividends**

As on 31st March, 2023, the company has Rs. 91274.4/- amount as unpaid / unclaimed

4. **Listing of Equity Shares on the Stock Exchange**

National Stock Exchange of India Limited Exchange Plaza, Bandra- Kurla Complex, Bandra (East), Mumbai - 400 051

5. **Listing Fees as applicable have been paid.**

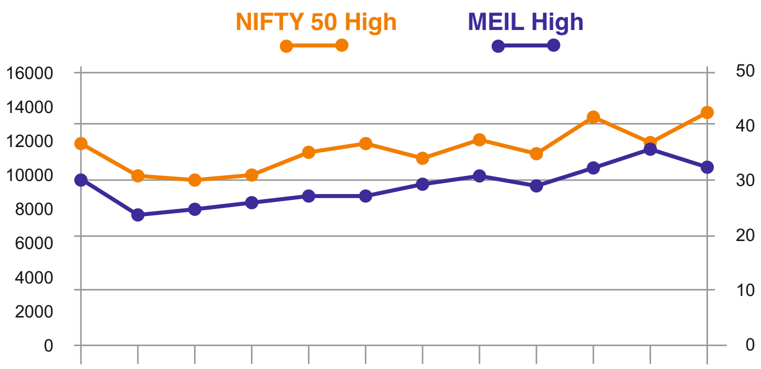
6. **Stock code/Symbol**

(a) Stock Exchange	**Stock Code**
National Stock Exchange of India Ltd.	MARINE
(b) Demat ISIN Number in NSDL & CDSL for Equity Shares	INE01JE01028

7. **Stock Market Data:**

Month	**National Stock Exchange (NSE)**		
	High (Rs.)	**Low (Rs.)**	**Total number of shares traded**
April-2022	36.70	29.00	17,36,45,135.45
May-2022	31.60	25.00	12,76,88,807.15
June-2022	30.05	25.15	6,53,74,023.20
July-2022	30.00	26.70	6,43,89,854.35
Aug -2022	35.90	27.05	27,65,60,497.70
Sep-2022	37.1	29.60	25,38,78,568.80
Oct-2022	34.55	27.3	10,28,51,827.35
Nov -2022	37.95	31.6	25,42,53,949.35
Dec-2022	35.6	28	15,50,16,433.10
Jan-2023	42.00	32.60	39,96,25,806.10
Feb -2023	37.90	36.00	52,88,518.80
Mar -2023	42.85	32.5	24,90,54,443.10

8. **Performance of Marine Electricals (India) Limited share price**



9. **Registrar and Transfer Agents:**

Shareholders correspondence should be addressed to the Registrar and Transfer Agents of the Company at the following Address:

Bigshare Services Pvt. Ltd.
Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093
Website: www.bigshareonline.com
Tel No: 022-62638200/022-62638295
Email id: investor@bigshareonline.com

10. **Share Transfer System:**

In accordance with SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7th September 2020 all share transfers needs to be carried out in the dematerialized form with effect from 1st April 2021 compulsorily. Hence no transfer of shares in physical form is allowed.

Further, in compliance with SEBI vide its circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, the following requests received by the Company from the shareholders holding shares in physical form will be processed and the shares will be issued in dematerialization form only:

i. Issue of duplicate share certificate
ii. Claim from unclaimed suspense account
iii. Renewal/Exchange of securities certificate
iv. Endorsement
v. Sub-division / splitting of securities certificate
vi. Consolidation of securities certificates/folios
vii. Transmission
viii. Transposition

For this purpose, the securities holder/claimant shall submit a duly filled -up Form ISR-4 which is hosted on the website of the company as well as on the website of RTA.

Members holding shares in physical form are requested to dematerialize their holdings at the earliest.

Nomination facility for shareholding

SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021, has made it mandatory for all shareholders holding shares in physical form to furnish nomination details to the Company / RTA.

Shareholders can register their nomination details in Form SH-13 or they can choose to give declaration to opt out of Nomination by filing Form ISR-3.

In case the shareholder holding shares in physical form wishes to change the nominee or cancel the nomination then Form SH-14 needs to be filled.

The aforementioned forms are available on the website of the Company as well as the Registrar and Transfer Agent and which shall be furnished in hard copy form or through electronic mode with e- signature to the company / Registrar and Transfer Agent.

Permanent Account Number (PAN) and KYC details

SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021, has made it mandatory for all holders of physical securities to furnish the following documents / details to the Registrar and Transfer Agent:

a) PAN
b) Contact details, Postal address with PIN, Mobile number, E-mail address
c) Bank account details (bank name and branch, bank account number, IFS code)
d) Specimen signature

For furnishing the above mentioned details, shareholder shall send the hard copy of Form ISR-1 and/or ISR-2, available on the website of the company as well as on the website of Registrar and Transfer Agent

11. Distribution of Shareholding as on March 31, 2023

Range	No. of shareholders	% of total shareholders	No. of Shares held	% of Shareholding
1 to 500	43958	81.849	5446422	4.311
501 to 1000	4562	8.494	3688392	2.919
1001 to 2000	2612	4.863	3952765	3.129
2001 to 3000	921	1.714	2366539	1.8735
3001 to 4000	403	0.750	1445111	1.144
4001 to 5000	353	0.657	1683204	1.332
5001 to 10000	536	0.9980	3973932	3.1460
10001 and above	361	0.6721	103758885	82.14
Total	**53706**		**126315250**	**100**

12. Shareholding Pattern as on March 31, 2023

Category	No. of shares held	% of shareholding
Promoter Holding		
Total promoter & promoter group holdings	9,40,64,220	74.46
Non Promoter Holding		
Institutions		
Foreign Portfolio Investor	-	-
Financial Institutions / Banks	-	-
Mutual Funds	-	-
Alternate Investment Funds		
Central/State Government		
Central Government	-	-
Non-Institutions		
Foreign Bodies Cooperates	-	-
Other Bodies Corporate	7,40,282	0.59
Public	2,95,84,641	23.42
Non Resident Indians	9,41,480	0.75
Clearing Member	1,02,029	0.08
HUF	8,82,598	0.70
Grand Total	**12,63,15,250**	**100**

13. Dematerialization of shares and liquidity

As of March 31, 2023, 12,63,11,250 shares representing 99.99% of the paid up equity capital of the Company have been dematerialized with the following depositories:

Description	ISIN No.	Depositories
Fully Paid	INE01JE01028	National Securities Depository Ltd.(NSDL) Trade World, A Wing, 4th Floor, Kamala Mills Compound , Lower Parel, Mumbai - 400 013
		Central Depository Services (India) Ltd.(CDSL) Marathon Futurex, 25th Floor, NM Joshi Marg, Lower Parel (East), Mumbai- 400 013

The equity shares of the Company are regularly traded on NSE.

14. Outstanding GDRs/ADRs/Warrants or any convertible Instruments

Outstanding Warrants

Pursuant to the approval of the Board at its meeting held on 22nd August, 2022 and approval of the members of the Company at their Annual General Meeting ('AGM') held on 19th September. 2022, upon receipt of 25% of the issue price per warrant (i.e. Rs. 7.3125 per warrant) as upfront payment ("Warrant Subscription Price"), the Company on 30th September, 2022 has allotted 1,00,00,000 (One Crore) warrants, on preferential basis to the Promoter/Promoter Group of the Company and certain identified non-promoter persons/entity, at a price of Rs. 29.25 each payable in cash ("Warrant Issue Price").

Each warrant, so allotted, is convertible into one fully paid-up equity share of the Company having face value of Rs. 2 (Rupee Two only) each in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, on payment of the balance consideration of Rs. 21.9375 per warrant ("Warrant Exercise Price"), being 75% of the issue price per warrant from the Allottees pursuant to exercise of conversion option against each such warrant, within 18 months from the date of allotment of warrants.

During the year under review, the Company has received the balance 75% of the issue price from three promoter allottees of the company, the Company made an allotment of total of 36,50,000 Equity shares out of which 20,00,000 Equity shares were allotted to KDU Enterprises Private Ltd on 23rd February, 2023, 6,50,000 equity shares were allotted to Mr. Vinay Uchil, Chairman & Promoter and 10,00,000 equity shares were allotted to Mr. Venkatesh Uchil, MD & Promoter on 6th March, 2023 upon on conversion of Warrants held by them.

For the remaining 63,50,000 warrants, the respective allottees have not yet exercised their option for conversion of the warrants into equity shares and accordingly, balance 75% money towards such remaining warrants is yet to be received as on 31st March, 2023.

The Company has not issued any American depository receipts or global depository receipts

15. Commodity price risk or foreign exchange risk and hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI (LODR) Regulations are not applicable.

For a detailed discussion on foreign exchange risk and hedging activities with regard to Company's revenue in foreign currency, please refer to the Annexure E of the Annual Report.

16. Reconciliation of Share Capital Audit Report

A Qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit confirms that the difference between the paid-up capital and listed capital was on account of equity shares allotted pursuant to the conversion of share warrants for which trading approval was awaited from NSE as on 31.03.2023. Further, the Company received the Trading approval from the NSE on 11th April, 2023

17. Registered Office & Plant Location

B/1, Udyog Sadan No.3, MIDC, Andheri (E), Mumbai - 400093
Goa Plant
Plot No. 17,18, N-51, N-52,N-54, N-55,N-56,N-57,N-59,N-60 Verna Industrial Estate, Goa

18. Address for correspondence
Shareholders should address correspondence to the Company's Registrars and Transfer Agents at the address mentioned below. Shareholders could also contact the Registered Office of the Company at the address mentioned below.
Registrar & Transfer Agents:
Bigshare Services Pvt. Ltd.
Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093
Website: www.bigshareonline.com Tel No: 022-62638200/022-62638295
Email id: investor@bigshareonline.com

Registered Office:
Marine Electricals (India) Limited Address: B/1, Udyog Sadan No.3, MIDC, Andheri (E), Mumbai - 400093 Tel No:02240334300
Email: cs@marineelectricals.com
Web: www.marineelectricals.com

19. Credit Rating

During the year under review the Company has obtain credit rating on 5th January,2023.

Sr. No	Total Bank Loan Facilities	Rating
1	Long-term: Fund-based Cash Credit	[ICRA]BBB(Stable); reaffirmed
2	Short-term: Fund-based EPC/EBD/PCFC (Sublimit of Cash Credit)	[ICRA]A3+; reaffirmed
3	Short-term: Non-fund based Bank Guarantee (Sublimit of Cash Credit)	-
4	Long-term: Fund-based Term Loans	[ICRA]BBB(Stable); reaffirmed
5	Short-term: Non-fund based Bank Guarantee	[ICRA]A3+; reaffirmed
6	Short-term: Non-fund based Letter of Credit (Sublimit of Bank Guarantee)	[ICRA]A3+; reaffirmed
7	Short-term Unallocated	-

VI. Other Disclosures

(i) Related Party Transactions

The Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in nature. All Related Party Transactions are placed before the Audit Committee and the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. Your Directors draw attention of the members to note no. 45 in the standalone and consolidated financial statements sets out related party disclosures

The Company has adopted a policy for Related Party Transactions which is available on the Company's website at https://www.marineelectricals.com/images/policies/Policy-on-Materiality-of-Related-Party-Transaction-and-Dealing-with-Related-Parties.pdf

(ii) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange[s] or the board or any statutory authority, on any matter related to capital markets, during the last three years:

The Company has complied with the requisite regulations relating to capital markets. No Penalties/ strictures have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital market during the last three years.

(iii) D&O Insurance for Directors In line with the requirements of Regulation 25(10) of the Listing Regulations, the Company has taken Directors and Officers Insurance (D&O) for all its directors and officers for such quantum and for such risks as determined by the Board.

(iv) Vigil Mechanism/Whistle Blower Policy

The Company has adopted Whistle Blower Policy and has established the necessary vigil mechanism for Directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been also put on the website of the Company: https://www.marineelectricals.com/images/policies/Vigil-Mechanism-Policy.pdf

(v) Details of Compliance with mandatory requirements and adoption of non- mandatory requirements

The Company has complied with the applicable mandatory requirements of the SEBI Listing Regulations (LODR). The Company has also adopted following non-mandatory requirements of SEBI Listing Regulations (LODR).

Adoption of Non- Mandatory Requirements

i. 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.

ii. The Company's financial statement for the financial year 2022- 23 does not contain any audit qualification.

iii. The Internal Auditors reports to the Audit Committee of the Company. They participate in the meetings of the Audit Committee of the Board of Directors of the Company and present their internal audit observations to the Audit Committee.

(vi) Web link where policy on dealing with related party transactions.

The Company has adopted the Policy on Materiality of Related Party Transaction And dealing with Related Parties. The policy is also available on the website of the Company at which is available on the Company's website at https://www.marineelectricals.com/images/policies/Policy-on-Materiality-of-Related-Party-Transaction-and-Dealing-with-Related-Parties.pdf.

(vii) Disclosure of commodity price risks and commodity hedging activities: NA

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

Pursuant to the approval of the Board at its meeting held on 22nd August, 2022 and approval of the members of the Company at their Annual General Meeting ('AGM') held on 19th September. 2022, upon receipt of 25% of the issue price per warrant (i.e. Rs. 7.3125 per warrant) as upfront payment ("Warrant Subscription Price"), the Company on 30th September, 2022 has allotted 1,00,00,000 (One Crore) warrants, on preferential basis to the Promoter/Promoter Group of the Company and certain identified non-promoter persons/entity, at a price of Rs. 29.25 each payable in cash (“Warrant Issue Price”). Each warrant, so allotted, is convertible into one fully paid-up equity share of the Company having face value of Rs. 2 (Rupee Two only) each in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, on payment of the balance consideration of Rs. 21.9375 per warrant ("Warrant Exercise Price"), being 75% of the issue price per warrant from the Allottees pursuant to exercise of conversion option against each such warrant, within 18 months from the date of allotment of warrants. Consequently, on receipt of the balance 75% of the issue price from three promoter allottees of the company, the Company made an allotment of total of 36,50,000 Equity shares out of which 20,00,000 Equity shares were allotted to KDU Enterprises Private Ltd on 23rd February, 2023, 6,50,000 equity shares were allotted to Mr. Vinay Uchil, Chairman & Promoter and 10,00,000 equity shares were allotted to Mr. Venkatesh Uchil, MD & Promoter on 6th March, 2023 upon on conversion of Warrants held by them.

For the remaining 63,50,000 warrants, the respective allottees have not yet exercised their option for conversion of the warrants into equity shares and accordingly, balance 75% money towards such remaining warrants is yet to be received as on 31st March, 2023.

The details of utilization of funds are given hereunder:

Particulars	**Amount in Lakhs**
Funds raised through allotment of 1,00,00,000 warrants on 30.09.2022 (A)	Rs. 731.25
Funds raised through allotment of 36,50,000 fully paid-up equity shares against conversion of equal number of warrants during the financial year.(B)	Rs. 800.72
Total Funds raised and available for utilization till 31st March 2023 (A+B)	Rs. 1531.97
Funds utilized during the year ended 31 March 2023	Rs. 1531.97

There is no deviation or variation in the use of proceeds from the preferential issue of warrants, from the objects as stated in the Explanatory Statement to the Notice of the AGM dated 19 September, 2022.

(ix) Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: During the financial year 2022-23, the Company has given Loan (convertible into Equity) to Evigo Charge Private Ltd (formerly known as Evigo Charging Consultants Private Ltd) subsidiary of the Company amounting upto Rs. 1,00,00,000/- (One crore only).

(x) Disclosure of Accounting Treatment

The Company has followed the treatment laid down in the Indian Accounting Standards (Ind AS) prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements. No deviation is made in following the same.

(xi) Code of Conduct

The Code of Conduct has been put on the Company’s website. The members of the Board and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended March 31, 2023. The Report contains declaration to this effect signed by Mr. Venkatesh Uchil Managing Director of the Company.

(xii) Subsidiary Companies

The Company is having total 5 (Five) subsidiaries including step down subsidiaries. The policy for determining Material Subsidiaries of the Company is available on the website of the Company i.e. https://www.marineelectricals.com/images/policies/Policy-on-Material-Subsidiaries.pdf The Company does not have any associate company & joint venture. All requirements with regard to subsidiary company have been complied with.

(xiii) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.

MEL power systems FZC is the material subsidiary of the Company. MEL Power Systems FZC is a Free Zone Company with limited Liablity registered with Sharjah Airport International Free Zone in accordance with the Provisions of Saif Zone, United Arab Emirates on October 26, 2010. Youssry & Co., Auditing & Consultancy Firms are the Statutory Auditors of the Company.

The Company has framed policy for determining "Material subsidiaries" to ensure that Board of Directors has overall supervision of functioning of subsidiaries of the Company and to provide the governance framework for such subsidiaries, pursuant to SEBI Listing Regulations and amendments thereto. The policy is available on the website of the Company at https://www.marineelectricals.com/images/policies/Policy-on-Material-Subsidiaries.pdf

(xiv) Certificate from practicing Company Secretary's

Certificate from practicing Company Secretary's under Regulation 34(3) of SEBI Listing Regulations JNG & Co. Practicing Company Secretaries, Mumbai have verified the compliance of the Corporate Governance norms by the Company. Certificate issued by them in this regard is annexed hereto. The Company has also availed a certificate from them that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI/ Ministry of Corporate Affairs or any other Statutory Authority. The said Certificate is also annexed to the report.

(xv) CEO/CFO Certificate: The Managing Director (MD) & Chief Financial Officer (CFO) have issued Certificate as specified under Regulation 17(8) of SEBI (LODR) 2015 for the financial year ended 31st March, 2023

(xvi) A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority - Certificate has been received from JNG & Co, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been disqualified to act as Director. The same is annexed herewith as Annexure C in Director Report.

(xvii) Where the Board had not accepted recommendation(s) of any Committee

During the year under review, all the recommendations made by all the Committees, which are mandatorily required, have been duly accepted by the Board of Directors.

(xviii) Details of total fees paid to Statutory Auditors

Details of total fees paid to the Statutory Auditor relating to all services availed by the Company and its subsidiaries, on consolidated basis, are given in Note 40 to the Standalone Financial Statements.

(xix) Prevention of Sexual Harassment at Workplace Policy :

The Company has devised a sound Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act 2013 with the proper composition of members.. The policy is available on the website of the Company at:

https://www.marineelectricals.com/images/policies/Sexual-Harrassment-Policy.pdf

Details of Complaints

Number of complaints filed during the financial year	Number of complaints disposed of during the financial year	Number of complaints pending as on end of the financial year
0	0	0

(xx) Foreign Exchange Risk

The Company is having adequate risk assessment and minimization system in place. The Company has foreign exchange risk as it deals in foreign currencies by importing and exporting of goods

(xxi) Dividend Distribution Policy

Pursuant to the SEBI (LODR) (2^{nd} Amendment) Regulations, 2021, The Company has adopted Dividend Distribution Policy. The Policy is available at: https://www.marineelectricals.com/images/policies/Dividend-Distribution-Policy.pdf

VII. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF SHALL BE DISCLOSED:

The Company has complied with the Corporate Governance requirements as per the Listing Regulations.

VIII. DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 OF LODR

The status of compliance with discretionary recommendations of Regulation 27 of the LODR with the Stock Exchange is provided below:

a) Shareholders Rights :

The quarterly / half yearly results are not sent to the shareholders. However, the same are published in the newspapers and are also posted on the Company's website.

b) The Board of Directors :

The present Chairman is an Executive Director. All Independent Directors significantly contribute to the deliberations of the Board and provide valuable inputs in directing the operation of the Company. The Board carefully evaluates the qualifications and experience of every Independent Director at the time of the appointment, and also involves the Independent Directors in various Business Committees, to enable them to contribute to the Company.

c) Audit Qualifications :

During the year under review, there is no audit qualification on the Company's financial statements. The Company continues to adopt best practices, and has ensured a track record of unqualified financial statements.

d) Reporting of Internal Auditor:

The Internal Auditor reports directly to the Audit Committee.

e) Code for Prohibition of Insider Trading :

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations,2015, as amended, the Company has adopted a "Code of Conduct for Prevention of Insider Trading". The said Code of Conduct has been revised in accordance with the amended Securities and Exchange Board of India (Insider Trading) Regulations, 2015. The Company Secretary is the "Compliance Officer". The Code of Conduct is applicable to all Directors and designated persons as defined in the Code of Conduct. The status of compliance with discretionary recommendations of Regulation 27 of the LODR with the Stock Exchange is provided below:

IX. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any unclaimed shares and hence the disclosure pursuant to SEBI (LODR) Regulations are not applicable.

X. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

(1) Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations.] - NA

On behalf of the board of directors

Sd/-	**Sd/-**
Mr. Vinay K. Uchil	**Mr. Venkatesh K. Uchil**
Chairman and Executive Director	**Managing Director**
DIN: 01276871	**DIN: 01282671**

Date: 11th August, 2023

Place: Mumbai

ANNEXURE TO CORPORATE GOVERNANCE REPORT

To
The Shareholders,
Affirmation of Compliance with Code of Conduct

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that the Board of Directors of the Company has received affirmation on compliance with the Code of Conduct from all the Directors and the Senior Management Personnel of the Company, as applicable to them, for the financial year ended 31st March, 2023.

For Marine Electricals (India) Limited

Sd/-
Venkatesh Uchil
Managing Director
DIN:- 01282671

Date: 11th August, 2023
Place: Mumbai

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) and Schedule V Para E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Marine Electricals (India) Limited

I have examined the compliance of conditions of corporate governance by **Marine Electricals (India) Limited** ("the Company"), for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2023. I have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

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

This Certificate 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.

In our opinion, and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in Schedule II of the said Regulations.As regards Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with items C and E.

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For JNG & Co.,
Jigarkumar Gandhi
FCS: 7569
C.P. No.: 8108
Peer Review No: 1972/2022
UDIN: F007569E000791187

Date : 11th August, 2023
Place: Mumbai

Corporate social responsibility

Contributing to societal progress

The basic concept of a company's Corporate Social Responsibility ('CSR') is to serve the interests of society in a just and equitable manner while also taking responsibility for the impact of business activities on various stakeholders in all aspects of the company's operations. The Company has always taken up social and community development initiatives and has been contributing in the areas of education and healthcare. Our corporate social responsibility (CSR) initiatives aim to touch and uplift lives.

Project ABHILASHA through Amrita Trust

The Company has been making contributions to Amrita Trust since years. Amrita Trust continued to provide medical assistance to the economically disadvantaged section of the society and manage running Abhilasha (a pre-vocational center for People with Developmental Disabilities) in the Financial Year 2022-23, in keeping with the objectives of the Trust. While routine activities such as making festive and seasonal products like Diyas (lamps), Rakhis, Christmas Cards, Table Mats, Gift Tags, Gift Envelopes, etc. continued, demand for newspaper bags increased considerably. This helped to engage the students in a productive manner. In addition to Yoga, dance and music, movement therapy was introduced this year. The academic year ended with a program showcasing the students talent through dance & music. Medical and educational Assistance to the economical disadvantaged of nearly Rupees Five Lakhs was provided.

Donation for building Vocational Training Center Canacona, Goa for the underprivileged students.

Supported & Sponsored building of Vocational Training Center at Canacona, Goa through Keshav Seva Sadhna, a voluntary Organisation started in 1992 working for Underprivileged section of the Society especially in education, health and other areas.

Contribution to Prime Minister National Relief Fund (PMNRF)

The Company has made Contribution of Rs. 5 lakhs to the PMNRF. The resources of the PMNRF are utilized to render immediate relief to families of those killed in natural calamities like floods, cyclones and earthquakes, etc. They also assist partially to defray the expenses for medical treatment like heart surgery, kidney transplantation, cancer treatment of needy people and acid attack etc.








Standalone Financial Statements and Independent Auditors' Report

Independent Auditors' Report

To the Members of
Marine Electricals (India) Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Marine Electricals (India) Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2023, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone cash flow statement for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the standalone state of affairs of the Company as at 31st March 2023, its standalone profit (including other comprehensive income), standalone changes in equity and its standalone cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

Without qualifying our opinion on account of this matter, we draw attention to following matters included in Note to the standalone financial statements:

Note 64 included in notes to the standalone financial statements regarding the fact that the Company during financial year 2017-18 paid to a supplier in China an advance of USD 8,00,000 carried at Rs 584.48 lakhs as at 31 March 2023, for procurement of solar PV modules. The Company has initiated arbitration proceedings against the supplier by appointing an independent arbitration professional. Pending recovery of the advance paid or procurement of material against the said advance, the Company believes that this advance is recoverable and it continues to carry the said advance as unsecured and considered good.

Key Audit Matters

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

Sr. No.	Key Audit Matters	Auditor's response
1	**Revenue recognition accuracy, measurement, presentation and disclosure** Revenue is measured based on transaction price, which is the consideration. As disclosed in Note 3.9 to the standalone financial statements, revenue from contract with customers is recognized when the Company satisfies the performance obligation by transfer of control of promised product or service to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Control is defined as the ability to direct the use of and obtain substantially all of the economic benefits from an asset. At the inception of the contract, the Company identifies the goods or services promised in the contract and assess which of the promised goods or services shall be identified as separate performance obligations. Promised goods or services give rise to separate performance obligations if they are capable of being distinct.	Our audit procedures included following: • Considering the appropriateness of the management's accounting policies regarding revenue recognition; • Obtained an understanding of management's process over revenue recognition and evaluated design of internal controls around revenue recognition; • Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing;

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

The Company's 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 standalone financial statements and our auditors' report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Annual Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

The accompanying standalone financial statements have been approved by the Board of Directors of the Company. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements 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, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process

Auditors' Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 standalone financial statements.

As part of an audit in accordance with SAs specified under section143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

2. Further to our comments in Annexure A, as required by Section 143(3) of the Act based on our audit, we report to the extent applicable, that:

   (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the accompanying standalone financial statements;

   (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) the standalone financial statements dealt with by this report are in agreement with the books of account;

   (d) in our opinion, the aforesaid standalone financial statements comply with the Ind AS prescribed under Section 133 of the Act;

   (e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act;

   (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

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

      i. the standalone financial statements disclose the impact of pending litigations on the standalone financial position of the Company as at 31 March 2023 – Refer Note 51 to the standalone financial statements;

      ii. the Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses as at 31 March 2023;

      iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1 April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.

3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For Saini Pati Shah & Co LLP
Chartered Accountants
Firm's Registration No: 137904W/W100622

Som Nath Saini
Partner
Membership No: 093079
UDIN:23093079BGXASK9928

Mumbai, May 29, 2023

Annexure A to the Independent Auditors' Report - 31 March 2023

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2023, we report the following:

(I) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment by which property, plant and equipment are verified by the management according to a phased programme designed to cover all the items over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements, are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. We are informed that no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on verification between the physical stocks and the book records.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of accounts of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company during the year has made investments in companies & firms, provided guarantees to companies & firms and granted interest bearing unsecured loans to companies and interest free unsecured loans to other parties (employees) in respect of which the requisite information is as below:

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company during the year has provided guarantees to companies & firms and interest bearing unsecured loans to companies and interest free unsecured loans to other parties (employees) as below:

(Rs. in lakhs)

Particulars	Guarantees	Loans
Aggregate amount during the year ended		
- Subsidiaries	816.57	95.60
- Others (employees)	-	42.50
Balance outstanding as at balance sheet date in respect of above cases		
- Subsidiaries	816.57	95.60
- Others (employees)	-	37.58

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided and the terms and conditions of the loans granted during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of interest bearing unsecured loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. In the case of interest free unsecured loans given to other parties (employees), in our opinion the repayment of principal has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans granted during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans during the year either repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans and investments made, and guarantees and security provided by it, as applicable.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into Goods and Services Tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other material statutory dues, as applicable, have been regularly deposited by the Company with the appropriate authorities though there has been delays in certain instances. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute except as stated below:

(Rs in lakhs)

Nature of the statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates	Amount demanded	Amount paid under protest
The Income tax Act 1961	Income tax and interest	Assessing Officer	A.Y. 2013-14 to A.Y. 2015-16	4.74	-
The Income tax Act 1961	Income tax and interest	Assessing Officer	A.Y. 2016-17	6.08	-
The Income tax Act 1961	Income tax, penalty and interest	Commissioner of Income tax	A.Y. 2017-18	6.87	-
The Income tax Act 1961	Income tax and interest	Commissioner (Appeals)	A.Y. 2018-19	8.08	1.08
The Income tax Act 1961	Income tax and interest	Commissioner (Appeals)	A.Y. 2019-20	15.83	-
The Income tax Act 1961	Income tax and interest	Commissioner (Appeals)	A.Y. 2020-21	26.74	-
Sales Tax Act and VAT laws	Sales tax and interest	Assistant commercial tax Officer	F.Y. 2009-10	43.46	-
Sales Tax Act and VAT laws	Sales tax and interest	Assistant commercial tax Officer	F.Y. 2016-17	27.66	-
Sales Tax Act and VAT laws	Sales tax and interest	Deputy Commissioner of Commercial tax	F.Y. 2016-17	6.77	0.82
The Custom Act, 1962	Custom duty and penalty	Custom, Excise and Service Tax Appellate Tribunal	13.08.2014 to 30.10.2018	132.62	65.00

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans and borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and representation received from the management of the Company, and on the basis of our audit procedures, the Company has not been declared a willful defaulter by any bank or financial institutions or government or government authority. Accordingly, reporting under clause 3(ix)(b) of the Order is not applicable to the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the terms loans have been applied, on an overall basis, for the purposes for which they were obtained.

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

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or persons on account of or to meet the obligations of its subsidiaries (as defined under the act). The Company does not hold any investment in any associates or joint venture (as defined under the Act) during the year ended 31 March 2023. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the act). The Company does not hold any investment in any associates or joint venture (as defined under the act) during the year ended 31 March 2023. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has made a preferential allotment of equity shares and convertible warrants during the year, in compliance with the requirements of Section 42 of the Act. The amounts raised have been used for the purpose for which funds were raised except pending eventual utilization for the purposes for which funds were raised as set out below:

(Rs in lakhs)

Nature of securities	Purpose for which funds raised	Total amount raised	Amount utilized for other purposes	Unutilized balance as at balance sheet date
Equity shares and convertible warrants	Funding long-term working capital requirements, investment in subsidiaries and general corporate purposes	1,531.97	-	-

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with section 177 and section 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are 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, reporting under clause 3(xvi) of the Order is not applicable to the Company.

(xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, the Company has transferred the unspent amount under sub-section (5) of Section 135 of the Act to a Fund specified in Schedule VII to the Act within a period of six months from the end of the financial year in compliance with second proviso to sub-section (5) of Section 135 of the Act.

(b) In our opinion and according to the information and explanations given to us, the Company does not have any unspent amount under sub-section (5) of Section 135 of the Act in respect of ongoing projects. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Saini Pati Shah & Co LLP
Chartered Accountants
Firm's Registration No: 137904W/W100622

Som Nath Saini
Partner
Membership No: 093079
UDIN:23093079BGXASK9928

Mumbai, May 29, 2023

Annexure B to the Independent Auditors' Report – 31 March 2023

Report on the Internal Financial Controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph (2)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Marine Electricals (India) Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to standalone financial statements 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 ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 with respect to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether 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 with respect to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with respect to standalone financial statements included obtaining an understanding of internal financial controls with respect to standalone financial statements, 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 auditors' judgement, including the assessment of the risks of material misstatement of the standalone 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

For Saini Pati Shah & Co LLP
Chartered Accountants
Firm's Registration No: 137904W/W100622

Som Nath Saini
Partner
Membership No: 093079

Mumbai, May 29, 2023

UDIN:23093079BGXASK9928

Standalone Balance Sheet

as at 31 March 2023

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	2,980.65	2,883.90
Right of use asset	5	306.22	397.38
Capital work in progress	6	-	198.79
Investment property	7	503.81	511.96
Other intangible assets	8	154.04	45.63
Financial assets			
Investments	9	2,562.85	919.46
Other financial assets	10	2,083.31	360.07
Deferred tax assets (net)	11	41.54	99.25
Other non-current assets	12	1,542.80	994.87
Non-current tax assets (net)	13	29.93	38.93
Total non-current assets		**10,205.15**	**6,450.24**
Current assets			
Inventories	14	4,441.66	5,694.44
Financial assets			
Trade receivables	15	17,438.04	11,915.54
Cash and cash equivalents	16	11.81	23.64
Bank balances other than cash and cash equivalents	17	1,601.60	744.16
Loans	18	393.18	254.79
Other financial assets	19	587.80	428.32
Other current assets	20	2,553.59	2,446.48
Total current assets		**27,027.68**	**21,507.37**
Total assets		**37,232.83**	**27,957.61**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	21	2,526.31	2,453.31
Other equity	22	15,481.52	11,962.76
Total equity		**18,007.83**	**14,416.07**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	23	1,800.76	439.26
Lease liabilities	24	57.27	59.57
Other financial liabilities	25	108.00	-
Provisions	26	322.17	286.77
Total non-current liabilities		**2,288.20**	**785.60**

Standalone Balance Sheet
as at 31 March 2023

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
Current liabilities			
Financial liabilities			
Borrowings	27	3,597.19	2,335.67
Lease liabilities	24	0.88	68.23
Trade payables:	28		
- Micro and small enterprises		95.19	81.22
- Other than micro and small enterprises		10,447.22	7,951.76
Other financial liabilities	29	311.53	543.60
Other current liabilities	30	2,294.18	1,601.16
Provisions	31	16.76	22.79
Current tax liabilities (net)	32	173.85	151.51
Total current liabilities		**16,936.80**	**12,755.94**
Total liabilities		**19,225.00**	**13,541.54**
Total equity and liabilities		**37,232.83**	**27,957.61**

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

For SAINI PATI SHAH & CO LLP
Chartered Accountants
Firm's Registration No: 137904W/W100622

For and on behalf of the Board of Directors
Marine Electricals (India) Limited

Som Nath Saini
Partner
Membership No: 093079

Venkatesh Uchil
Managing Director
DIN: 01282671

Vinay Uchil
Chairman and Executive Director
DIN: 01276871

U.M. Bhakthavalsalan
Chief Financial Officer

Mitali Ambre
Company Secretary and Compliance Officer

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

Standalone Statement Of Profit And Loss

for the year ended 31 March 2023

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Income			
Revenue from operations	33	39,127.13	32,288.56
Other income	34	613.40	550.23
Total income		**39,740.53**	**32,838.79**
Expenses			
Cost of materials consumed	35	28,215.20	24,476.51
Changes in inventories of finished goods and work-in-progress	36	1,405.34	193.39
Employee benefits expense	37	2,567.32	2,239.79
Finance costs	38	862.15	645.18
Depreciation and amortization expense	39	612.57	760.33
Other expenses	40	3,441.41	2,759.88
Total expenses		**37,103.99**	**31,075.08**
Profit before tax		**2,636.54**	**1,763.71**
Income Tax expense / (credit):	41		
Current tax		656.31	535.56
Adjustment in respect of tax for earlier years		(23.55)	56.73
Deferred tax charge / (credit)		53.16	(75.22)
		685.92	**517.07**
Profit after tax		**1,950.62**	**1,246.64**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plans		18.14	0.47
Income tax relating to items that will not be reclassified to profit or loss		(4.56)	(0.12)
Other comprehensive income / (loss) for the year		**13.58**	**0.35**
Total comprehensive income for the year		**1,964.20**	**1,246.99**
Earning per share ("EPS")	**42**		
- Basic earning per equity share of face value of Rs 2 each		1.59	1.02
- Diluted earning per equity share of face value of Rs 2 each		1.56	1.02

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

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Mitali Ambre
Company Secretary and Compliance Officer

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

Standalone Statement of Changes in Equity

for the year ended 31 March 2023

(All amounts are in INR Lakhs, unless otherwise stated)

A. Equity share capital

Current reporting year

Balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of current reporting year
2,453.31	73.00	2,526.31

Previous reporting year

Balance at the beginning of the Previous reporting year	Changes in equity share capital during the previous year	Balance at the end of previous reporting year
2,453.31	-	2,453.31

B. Other equity

Current reporting year

Particulars	Reserves and surplus			Other component of equity	Money received against share warrants	Total
	Securities premium	General reserve	Retained earnings			
Balance at the beginning of current reporting year	3,983.54	708.10	7,074.25	196.87	-	**11,962.76**
Profit for the current reporting year	-	-	1,950.62	-	**-**	**1,950.62**
Other comprehensive income for the current year	-	-	13.58	-	**-**	**13.58**
Fair value of financial guarantee transferred to other component of equity	-	-	-	95.59	**-**	**95.59**
Subscription money received on allotment of share warrants	-	-	-	-	731.25	**731.25**
Securities premium received / Utilisation of subscription money on conversion of share warrants into equity shares	994.63	-	-	-	(266.91)	**727.72**
Balance at the end of current reporting year	**4,978.17**	**708.10**	**9,038.45**	**292.46**	**464.34**	**15,481.52**

Previous reporting year

Particulars	Reserves and surplus			Other component of equity	Money received against share warrants	Total
	Securities premium	General reserve	Retained earnings			
Balance at the beginning of current reporting year	3,983.54	708.10	6,072.59	170.05	-	**10,934.28**
Profit for the previous reporting year	-	-	1,246.64	-	**-**	**1,246.64**
Other comprehensive income for the previous year	-	-	0.35	-	**-**	**0.35**
Fair value of financial guarantee transferred to other component of equity	-	-	-	26.82	**-**	**26.82**
Dividends	-	-	(245.33)	-	-	**(245.33)**
Balance at the end of previous reporting year	**3,983.54**	**708.10**	**7,074.25**	**196.87**	**-**	**11,962.76**

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

For SAINI PATI SHAH & CO LLP
Chartered Accountants
Firm's Registration No: 137904W/W100622

Som Nath Saini
Partner
Membership No: 093079

Place : Mumbai,
Date : 29 May 2023

For and on behalf of the Board of Directors
Marine Electricals (India) Limited

Venkatesh Uchil
Managing Director
DIN: 01282671

Vinay Uchil
Chairman and Executive Director
DIN: 01276871

U.M. Bhakthavalsalan
Chief Financial Officer
Place : Mumbai,
Date : 29 May 2023

Mitali Ambre
Company Secretary and Compliance Officer
Place : Mumbai,
Date : 29 May 2023

Standalone Cash Flow Statement

for the year ended 31 March 2023

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flows from operating activities		
Profit before tax	2,636.54	1,763.71
Adjustments:		
Depreciation and amortization	612.57	760.33
Sundry balances written off	11.50	8.59
Bad debts written off	181.89	85.85
Finance costs	862.15	645.18
Liabilities/ sundry balances written back	(14.70)	(60.91)
Allowance for expected credit loss (net)	(24.69)	(4.95)
Share of profit in a partnership firm	(196.94)	(103.90)
Share of loss in a jointly controlled entity	-	2.42
(Profit)/Loss on sale of property, plant and equipment (net)	(41.08)	85.34
Interest income on financial instruments at amortised cost	(4.73)	(30.80)
Interest income on inter corporate loan	(22.69)	(14.64)
Interest income on advance towards purchase of equity instruments	(12.07)	(9.73)
Finance guarantee income	(0.70)	(0.45)
Operating cash flows before working capital changes	**3,987.05**	**3,126.04**
Working capital movements:		
(Increase) / Decrease in inventories	1,252.78	164.36
(Increase) / Decrease in trade receivables	(5,679.70)	698.59
(Increase) / Decrease in bank balances other than cash and cash equivalents	(857.44)	172.44
(Increase) / Decrease in other financial assets	(1,874.41)	(27.70)
(Increase) / Decrease in other assets	(32.52)	1,341.06
Increase / (Decrease) in trade payables	2,524.13	(952.46)
Increase / (Decrease) in other financial liabilities	(13.44)	10.45
Increase / (Decrease) in other liabilities	693.02	(243.23)
Increase / (Decrease) in provisions	47.51	56.55
Cash generated from operations	**46.98**	**4,346.10**
Income taxes paid, net	(597.94)	(548.52)
Net cash flows generated from / (used in) operating activities (A)	**550.96**	**3,797.58**
Cash flows from investing activities		
Purchase of property plant and equipment, investment property and intangible assets (including movement in capital advances, creditors for property, plant and equipment and capital work in progress)	(2,017.46)	(786.71)
Proceeds from sale of property, plant and equipment	63.54	89.20
Payment of advance towards purchase of equity instruments	-	(831.67)
Acquisition of equity interest in subsidiary	(516.16)	-
Acquisition of compulsorily convertible preference shares	-	(50.38)
Payment towards acquisition of additional stake in a subsidiary (partnership firm)	(197.93)	-
Loans (given) / repaid (net)	(121.55	105.64
Capital withdrawn from partnership firm	-	346.00
Capital withdrawn from jointly controlled entity	-	0.34
Net cash flows generated from / (used in) investing activities (B)	**(2,789.56)**	**(1,127.58)**
Cash flows from financing activities		
Proceeds from allotment of share warrants	464.34	-
Proceeds from allotment on equity shares (including securities premium)	1,067.63	-
Proceeds from / (repayment of) non current borrowings (net)	1,556.63	(505.05)
Proceeds from / (repayment of) current borrowings (net)	1,066.39	(1,113.57)
Finance costs paid	(756.65)	(620.43)
Dividend paid	-	(244.41)
Repayment of lease liabilities (net of finance cost)	(69.65)	(252.30)
Net cash flows generated from / (used in) financing activities (C)	**3,328.69**	**2,735.76)**

Standalone Cash Flow Statement

for the year ended 31 March 2023

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(11.83)	(65.76)
Cash and cash equivalents at the beginning of the year	23.64	89.40
Cash and cash equivalents at the end of the year	**11.81**	**23.64**

Notes to cash flow statement:

	As at 31 March 2023	As at 31 March 2022
1. Component of cash and cash equivalents:		
Cash on hand	6.98	4.90
Balances with banks		
- in current accounts	2.26	17.02
- in escrow account	0.12	0.12
- in EEFC accounts	0.16	1.60
- in overdraft accounts	2.29	-
Total cash and cash equivalents	**11.81**	**23.64**

2. The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7 Statement of Cash Flows u/s 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 and the relevant provisions of the Act.

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

For SAINI PATI SHAH & CO LLP
Chartered Accountants
Firm's Registration No: 137904W/W100622

For and on behalf of the Board of Directors
Marine Electricals (India) Limited

Som Nath Saini
Partner
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Venkatesh Uchil
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Vinay Uchil
Chairman and Executive Director
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U.M. Bhakthavalsalan
Chief Financial Officer

Mitali Ambre
Company Secretary and Compliance Officer

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

(All amounts are in INR Lakhs, unless otherwise stated)

1. Corporate Information

The Company was incorporated as a private limited company with the name "Marine Electricals (India) Private Limited" on 4 December 2007 under the Companies Act, 1956 by converting a partnership firm with the name "Marine Electricals". On 1 August 2018, the Company was converted into a public limited company and the name got changed to "Marine Electricals (India) Limited". The Company got listed on Small and Medium Enterprises ("SME") platform named EMERGE of National Stock Exchange of India ("NSE") on 11 October 2018 and got migrated to NSE main board with effect from 02 December 2020.

The Company is engaged in manufacturing and sale of all types of marine and industrial electrical & electronic components like switch-gears, control-gears etc. and is also engaged in renewable energy sector specifically solar. It also provides services like designing, fabricating etc. for all types of electrical & electronic installations in India and abroad and undertake annual maintenance contracts.

2. Statement of compliance and basis of preparation and presentation

2.1 Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules as amended from time to time and notified under section 133 of the Companies Act, 2013 ("the Act") and in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act.

These standalone financial statements for the year ended 31 March 2023 were authorised and approved for issue by the Company's Board of Directors at its meeting held on 29 May 2023.

2.2 Basis of preparation and measurement

These financial statements have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period (refer accounting policy regarding financial instruments).

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

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

Level 1- Quoted (Unadjusted) marked prices in the active markets for identical assets or liabilities.

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(All amounts are in INR Lakhs, unless otherwise stated)

2.3 Current Versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2.4 Critical accounting judgements and use of estimates

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. The actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision or future periods if the revision affects both current and future periods.

Accounting estimates and judgements are used in various line items in the financial statements for e.g.:

Property, plant and equipment

The management engages internal technical team to assess the remaining useful lives and residual value of property, plant and equipment annually in order to determine the amount of depreciation to be recorded during any reporting period. The management believes that the assigned useful lives and residual value are reasonable.

Income taxes

The management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets / liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

Contingencies

The management's judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

Expected credit losses on financial assets:

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

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the budget for future years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(All amounts are in INR Lakhs, unless otherwise stated)

Effective Interest Rate (EIR) Method:

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to other income/expense that are integral parts of the instrument.

Fair value measurements and valuation processes:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation technique that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.5 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

3. Significant Accounting Policies

3.1 Functional and presentation currency

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

3.2 Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss on the date of disposal or retirement.

Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Company and cost of the item can be measured reliably. All other repair and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

(All amounts are in INR Lakhs, unless otherwise stated)

Depreciation on property, plant and equipment is provided on written down value method over the useful lives of assets as prescribed under Schedule II to the Companies Act, 2013. Based on past experience and internal technical evaluation, the management believes that these useful lives represent the appropriate period of usage and therefore, considered to be appropriate for charging depreciation.

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

The estimated useful lives of the property, plant and equipment considered by the Company are as follows:

Tangible Assets	Estimated uesful life (in Years)
Buildings	30
Plant and machinery	15
Plant and machinery – Drilling Rig	30
Computers	3
Furniture and fixtures	10
Vehicles	8
Office equipment	3-5

Leasehold improvements are amortised over the lower of estimated useful life as per Schedule II or intended lease period.

Assets residual values, depreciation method and useful lives are reviewed at the end of financial year considering the physical condition of the assets or whenever there are indicators for review and adjusts residual life prospectively.

Derecognition

An item of property, plant and equipment and any significant component initially recognised is derecognised 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 / significant component (calculated as the difference between the net disposal proceeds and the carrying amount of the asset / significant component) is recognised in statement of profit and loss, when the asset is derecognised.

3.3 Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Company and cost of the item can be measured reliably. All other repair and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Depreciation on investment property is provided on the written down value method over their estimated useful lives. However, where the management's estimate of the remaining useful life of the assets on a review subsequent to the time of acquisition is different, then depreciation is provided over the remaining useful life based on the revised useful life.

3.4 Intangible assets

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

At initial recognition, the separately acquired intangible assets are recognised at cost. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets, other than license and customer acquisition, are amortised on a written down value method in accordance with the useful life prescribed in Schedule II to the Act.

The estimated useful lives of the intangible assets considered by the Company are as follows:

Intangible Assets	Estimated uesful life (in Years)
Software	3

License and customer acquisition are amortised on a straight-line basis over a period of five years.

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

3.5 Assets held for sale

Non-current assets, or disposal groups are classified as held for sale if its carrying amount will be recovered principally through sale rather than through continuing use, it is available for immediate sale and sale is highly probable within one year.

On initial classification as held for sale, assets and disposal groups are measured at the lower of previous carrying amount and fair value less costs to sell with any adjustments taken to the statement of profit and loss. The same applies to gains and losses on subsequent remeasurement although gains are not recognised in excess of any cumulative impairment loss. Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on a pro-rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets and investment property, which continue to be measured in accordance with the accounting policies. Intangible assets and property, plant and equipment once classified as held for sale or distribution are not amortised or depreciated.

3.6 Foreign currency translation

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(All amounts are in INR Lakhs, unless otherwise stated)

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise except those arising from investments in non-integral operations.

3.7 Taxes

Tax expense comprises of current and deferred tax.

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3.8 Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods, including freight, octroi and other levies.

Cost is determined under the weighted average cost method and includes all costs incurred in bringing the inventories to their present location and condition.

Cost of finished goods and work in progress further includes direct labour and an appropriate share of production overheads as applicable.

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

Due allowances are made for defective, obsolete and slow-moving inventory, wherever necessary, based on management estimates and past experiences of the Company.

(All amounts are in INR Lakhs, unless otherwise stated)

3.9 Revenue recognition

Revenue from contract with customers is recognized when the Company satisfies the performance obligation by transfer of control of promised product or service to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Control is defined as the ability to direct the use of and obtain substantially all of the economic benefits from an asset. Revenue excludes taxes collected from customers.

Revenue is measured based on the transaction price, which is the expected consideration to be received, to the extent that it is highly probable that there will not be a significant reversal of revenue in future periods. If the consideration in a contract includes a variable amount, at the inception of the contract, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer.

At the inception of the contract, the Company identifies the goods or services promised in the contract and assess which of the promised goods or services shall be identified as separate performance obligations. Promised goods or services give rise to separate performance obligations if they are capable of being distinct.

Revenue from the delivery of products is recognised at the point in time when control over the products is passed to the customers, which is determined based on the individual terms agreed in the customer contract. Revenue from support services is recognized on rendering of services in accordance with the contractual agreement with the customers.

Contract balances:

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Contract asset, which is presented as unbilled revenue, is classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. Contract liabilities include, and are presented as 'Revenue received in advance' and 'Advances from customers'.

3.10 Other income

Interest income

Interest income is recognized as it accrues in the statement of profit and loss using effective interest rate method.

Rental income

Rental income from property leased under operating lease is recognised in the income statement on a straight-line basis over the term of the lease unless increase in rentals are in line with expected general inflation. Contingent rents are recognised as revenue in the period in which they are earned.

Duty drawback

Duty drawback is recognized basis entitlement upon exports made. Provision is made for duty drawback entitlement pending to be received towards end of the year on exports made during the year.

Net gain loss on fair value change

The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL on net basis. However, net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the statement of profit and loss.

(All amounts are in INR Lakhs, unless otherwise stated)

3.11 Financial instruments:

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

i. Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified as:

- Debt instruments assets at amortised cost
- Equity instrument measured at fair value through profit or loss (FVTPL)

When assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit and loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

Debt instruments at amortised cost

A debt instrument is measured at amortised cost (net of any write down for impairment) if both the following conditions are met:

- the asset is held to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes), and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit and loss. The losses arising from impairment are recognised statement of profit and loss. This category generally applies to trade and other receivables

Financial assets at fair value through OCI (FVTOCI)

A financial asset that meets the following two conditions is measured at fair value through OCI unless the asset is designated at fair value through profit and loss under fair value option.

- The financial asset is held both to collect contractual cash flows and to sell.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

(All amounts are in INR Lakhs, unless otherwise stated)

Financial assets at fair value through profit and loss (FVTPL)

FVTPL is a residual category for company's investment instruments. Any instruments which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

All investments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss

In addition, the company may elect to designate an instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company has not made any such election. This classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment, However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investment in subsidiary are measured at cost.

Derecognition

When the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; it evaluates if and to what extent it has retained the risks and rewards of ownership.

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- Based on above evaluation, either
  - (a) the Company has transferred substantially all the risks and rewards of the asset, or
  - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a bases that reflect the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(All amounts are in INR Lakhs, unless otherwise stated)

Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 (‘Financial instruments’) requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Company’s financial liabilities include trade payables and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

iv. Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company’s senior management determines change in the business model as a result of external or internal changes which are significant to the Company’s operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3.12 Impairment of non-financial assets

Non-financial assets including Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the standalone statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the standalone statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.13 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash in hand and short-term investments with an 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.

3.14 Provisions, contingent liabilities and contingent assets

Provision

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provision are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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

Provision for warranty

Product warranty costs are accrued in the year of sale of products, based on past experiences. The Company periodically reviews the adequacy of product warranties and adjust warranty percentage and warranty provisions for actual experience, if necessary.

Contingent liabilities and contingent assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements

Contingent assets are not recognized in the financial statements. However, it is disclosed only when an inflow of economic benefits is probable.

3.15 Government grants

Grants from the government are recognised where there is reasonable assurance that the grant will be received and the Company will comply with required conditions. Export incentive under duty drawback are accrued when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

3.16 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

3.17 Employee benefits

Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include salary, wages, short-term compensated absences, performance incentives, etc. The undiscounted amount of short -term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period of rendering of service by the employee

Long-term employee benefits:

(i) Defined contribution plans:

The Company's contribution to provident fund, superannuation fund, employee state insurance scheme and labour welfare fund are considered as defined contribution plans. The Company's contribution paid / payable under the plans are recognised as an expense in the standalone statement of profit and loss during the period in which the employee renders the related service.

(All amounts are in INR Lakhs, unless otherwise stated)

(ii) Defined benefits plan:

Post-employment benefit:

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The present value of the obligation under such defined benefit plan is determined based on independent actuarial valuation at the balance sheet date using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the standalone statement of profit and loss.

Other long-term employment benefit:

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive encashment on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

3.18 Leases

At inception of contract, the Company assesses whether the Contract is, or contains, a lease. 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. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative standalone price.

As a lessee:

Leases are recognised as a Right-of-Use (ROU) asset at cost with a corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets in accordance with Ind AS 116 'Leases'.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs etc.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

For lease liabilities at the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

(All amounts are in INR Lakhs, unless otherwise stated)

As a lessor:

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income on such operating leases are recognised in the statement of profit and loss on an accrual basis in accordance with the lease agreement. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.19 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method.

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

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

3.20 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

3.21 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

3.22 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

3.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (“CODM”) of the Company.

4 Property, plant and equipment

(All amounts are in Indian Rupees Lakhs, unless otherwise stated)

Particulars	Freehold land	Buildings	Plant and machinery (including drilling rig)	Computers	Furniture and fixtures	Leasehold improvements	Vehicles	Office equipments	Total
Gross block:									
As at 31 March 2021	**24.54**	**1,798.82**	**1,371.19**	**33.10**	**59.04**	**17.48**	**55.49**	**36.32**	**3,395.98**
Additions	-	272.16	304.19	23.62	45.01	-	22.35	104.21	771.54
Disposals	-	-	(359.19)	-	-	-	-	(2.39)	(361.58)
As at 31 March 2022	**24.54**	**2,070.98**	**1,316.19**	**56.72**	**104.05**	**17.48**	**77.84**	**138.14**	**3,805.94**
Additions	23.32	159.70	270.93	19.70	44.32	-	23.59	14.92	556.48
Disposals	-	-	(110.22)	(3.34)	-	-	-	-	(113.56)
As at 31 March 2023	**47.86**	**2,230.68**	**1,476.90**	**73.08**	**148.37**	**17.48**	**101.43**	**153.06**	**4,248.86**
Accumulated depreciation:									
As at 31 March 2021		**327.38**	**362.98**	**18.14**	**23.55**	**7.87**	**23.94**	**5.75**	**769.61**
Charge for the year	-	150.75	176.27	16.16	12.63	2.48	16.47	24.91	399.67
Disposals	-	-	(244.95)	-	-	-	-	(2.29)	(247.24)
As at 31 March 2022	**-**	**478.13**	**294.30**	**34.30**	**36.18**	**10.35**	**40.41**	**28.37**	**922.04**
Charge for the year	-	164.38	186.98	17.33	21.49	1.84	14.23	31.03	437.28
Disposals	-	-	(90.92)	(0.19)	-	-	-	-	(91.11)
As at 31 March 2023	**-**	**642.51**	**390.36**	**51.44**	**57.67**	**12.19**	**54.64**	**59.40**	**1,268.21**
Net block:									
As at 31 March 2022	**24.54**	**1,592.85**	**1,021.89**	**22.42**	**67.87**	**7.13**	**37.43**	**109.77**	**2,883.90**
As at 31 March 2023	**47.86**	**1,588.17**	**1,086.54**	**21.64**	**90.70**	**5.29**	**46.79**	**93.66**	**2,980.65**

1. Refer note 23 and 27 for information on property, plant and equipment pledged as security by the Company.
2. Refer note 52 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
3. The title deeds of all the immovable properties are held in the name of the Company.

(All amounts are in INR Lakhs, unless otherwise stated)

5 Right-of-use assets

Particulars	Premises	Equipment	Land	Total
Gross block:				
As at 31 March 2021	**736.79**	**148.34**	**395.96**	**1,281.08**
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31 March 2022	**736.79**	**148.34**	**395.96**	**1,281.08**
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31 March 2023	**736.79**	**148.34**	**395.96**	**1,281.08**
Accumulated depreciation :				
As at 31 March 2021	**485.11**	**74.62**	**44.90**	**604.62**
Charge for the year	219.41	37.26	22.42	279.09
Disposals	-	-	-	-
As at 31 March 2022	**704.51**	**111.88**	**67.32**	**883.71**
Charge for the year	32.28	36.46	22.41	91.15
Disposals	-	-	-	-
As at 31 March 2023	**736.79**	**148.34**	**89.73**	**974.86**
Net block:				
As at 31 March 2022	**32.28**	**36.46**	**328.64**	**397.38**
As at 31 March 2023	**-**	**-**	**306.22**	**306.22**

Note:

Lease deeds of all right-of-use assets are held in the name of the Company.

6 Capital work in progress

Particulars	Amount
As at 31 March 2021	**-**
Addition during the year	350.23
Capitalised during the year	(151.44)
As at 31 March 2022	**198.79**
Addition during the year	-
Capitalised during the year	(198.79)
As at 31 March 2023	**-**

For Capital work in progress ageing, refer note 55.

(All amounts are in INR Lakhs, unless otherwise stated)

7 Investment property

Particulars	Buildings
Gross block:	
As at 31 March 2021	**715.99**
Additions	-
Disposals	-
As at 31 March 2022	**715.99**
Additions	47.57
Disposals	-
As at 31 March 2023	**763.56**
Accumulated depreciation :	
As at 31 March 2021	**143.47**
Charge for the year	60.56
Disposals	-
As at 31 March 2022	**204.03**
Charge for the year	55.72
Disposals	-
As at 31 March 2023	**259.75**
Net block:	
As at 31 March 2022	**511.96**
As at 31 March 2023	**503.81**

Notes

(i) Investment property comprise of a commercial building that is leased to third party. Subsequent renewal of license agreement are negotiated with the tenant and average renewal period ranges between three and five years.

(ii) Refer note 23 and 27 for information on investment property pledged as security by the Company.

(iii) (a) As at 31 March 2023, the fair value of the property is Rs. 2,917.04 lakhs (31 March 2022: Rs. 2,917.04 lakhs). This valuation is based on valuation performed by an accredited independent valuer in the previous year. The management believes that there is no significant fluctuation in the fair value of the property during the year ended 31 March 2023.

(b) The fair value of the Company's investment property has been arrived at using Composite rate method. Under Composite rate method, rate is arrived using comparable sales instance for similar property with same specification in the adjoining locality and further adjusted for depreciation on building component. The main inputs used are age of the building, life of the building, salvage value and composite rate.

(c) Details of the Company's investment property and information about the fair value hierarchy is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Assets for which fair values are disclosed		
Investment property		
Level 1	-	-
Level 2	-	-
Level 3	2,917.04	2,917.04

(d) Amounts recognised in statement of profit and loss related to investment properties (excluding depreciation and finance costs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Rental income from investment property	60.03	100.88
Direct operating expenses arising from investment property that generated rental income during the year	5.43	8.76
Direct operating expenses arising from investment property that did not generate rental income during the year	-	-

(All amounts are in INR Lakhs, unless otherwise stated)

8 Other intangible assets

Particulars	License	Softwares	Intellectual Property	Customer Acquisition	Total
Gross block:					
As at 31 March 2021	**67.50**	**45.21**	**-**	**-**	**112.71**
Additions	-	0.60	60.20	-	60.80
Disposals	-	-	(60.20)	-	(60.20)
As at 31 March 2022	**67.50**	**45.81**	**-**		**113.31**
Additions	-	36.83	-	100.00	136.83
Disposals	-	-	-	-	-
As at 31 March 2023	**67.50**	**82.64**	-	**100.00**	**250.14**
Accumulated amortization:					
As at 31 March 2021	**14.61**	**32.06**	**-**	**-**	**46.67**
Charge for the year	14.92	6.09	-	-	21.01
Disposals	-	-	-	-	-
As at 31 March 2022	**29.53**	**38.15**	-	-	**67.68**
Charge for the year	14.92	12.29	-	1.21	28.42
Disposals	-	-	-	-	-
As at 31 March 2023	**44.45**	**50.44**	**-**	**1.21**	**96.10**
Net block:					
As at 31 March 2022	**37.97**	**7.66**	-	-	**45.63**
As at 31 March 2023	**23.05**	**32.20**	-	**98.79**	**154.04**

9 Investments (Non-current)

Particulars	As at 31 March 2023	As at 31 March 2022
Measured at cost:		
(i) Investment in equity instruments of subsidiaries (unquoted):		
(a) 210,000 (31 March 2022: 210,000) Equity shares of Rs 10 each in Eltech Engineers Madras Private Limited	2.10	2.10
(b) 90 (31 March 2022: 90) Equity shares of AED 1500 each in MEL Power Systems FZC	19.38	19.38
(c) 10,28,462 (31 March 2022: 28,462) Equity shares of Rs 10 each in Evigo Charge Private Limited {formerly known as Evigo Charging Consultants Private Limited} [Refer note (iv) below]	102.84	2.84
(d) 75 (31 March 2022: Nil) Equity shares of CAD 1 each in Xanatos Marine Ltd {Refer note 66(a)}	1,216.86	-
(ii) Investment in preference instruments of subsidiary (unquoted):		
Nil (31 March 2022: 6,904) compulsorily convertible preference shares of Rs 1,000 each in Evigo Charge Private Limited {formerly known as Evigo Charging Consultants Private Limited} [Refer note (iv) below]	-	69.04
(iii) Investment in partnership firm (subsidiary) :		
Capital in Narhari Engineering Works [Refer note (ii) below]	1,221.67	826.10
	2,562.85	**919.46**
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	2,562.85	919.46
Aggregate amount of impairment in value of investment	-	-

(All amounts are in INR Lakhs, unless otherwise stated)

Note:

(i) Investment in subsidiaries are stated at cost using the principles of Ind AS 27 'Separate Financial Statements'.

(ii) Details of investments in partnership firms

Name of Partner	As at 31 March 2023		As at 31 March 2022	
	% Share	Capital	% Share	Capital
Narhari Engineering Works:				
Marine Electricals (India) Limited	99.00%	1,221.67	80.00%	826.10
Mr. Vinay Uchil	0.50%	18.67	10.00%	67.32
Mr. Venkatesh Uchil	0.00%	-	10.00%	67.32
KDU Enterprises Private Limited	0.50%	2.95	0.00%	-
		1,243.29		**960.74**

* Consequent to the approval by the Audit Committee by Circular Resolution and by the General Purpose Committee (GPC) of the Board of Directors in their respective meetings held on 23 September 2022, the Company has increased its % holding in its Subsidiary, Narhari Engineering Works, a partnership firm, by way of further acquisition of 19% holding from the existing partners for a consideration of Rs 197.93 lakhs based on the valuation report by a registered valuer, resulting in total holding of 99% post acquisition. The reconstituted partnership deed is entered between the parties w.e.f. 30 September 2022.

(iii) The Company has neither raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the act) nor has not taken any funds from any entity or persons on account of or to meet the obligations of its subsidiaries. The Company does not hold any investment in any associates or jointly controlled entity (as defined under the act) during the year ended 31 March 2023.

(iv) On 07 December 2022, Board of Directors of a subsidiary company, Evigo Charge Private Limited ("Evigo"), has considered and approved allotment of 10,00,000 Equity Shares of face value of Rs 10 each upon conversion of 10,000 0.001% Compulsorily Convertible Preference Shares (CCPS) of Rs 1,000 each held by the Company in Evigo. Post the allotment of shares pursuant to conversion of CCPS, the shareholding of the Company in Evigo has increased from 71.04% to 98.88%.

10 Other financial assets (Non-current)

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good:		
Security deposits		
- Others	18.65	15.75
Margin money deposits*	2,064.66	344.32
	2,083.31	**360.07**

* The deposits are pledged against bank guarantees issued and for cash credit / letter of credit facilities.

(All amounts are in INR Lakhs, unless otherwise stated)

11 Deferred tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax assets:		
Provision allowed under tax on payment basis	85.33	99.12
Share issue expenses allowable u/s 35D of the Income-tax Act, 1961	-	10.04
Measurement of financial assets and liabilities at amortised cost, net	2.91	27.12
Ind AS 116 - "Leases"	40.25	38.62
Others	0.52	2.52
Total deferred tax asset (A)	**129.01**	**177.42**
Deferred tax liabilities		
Accelerated depreciation for tax purpose	83.05	73.75
Ind AS 115 - "Revenue from contracts with customers"	4.42	4.42
Total deferred tax liabilities (B)	**87.47**	**78.17**
Net Deferred tax Assets (A-B)	**41.54**	**99.25**

12 Other non-current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Prepaid expenses	37.75	123.84
Capital advances (Refer note 65)	1,384.46	29.63
Advance towards purchase of equity instruments (Refer note 66)	120.59	841.40
	1,542.80	**994.87**

13 Non-current tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Advance tax and tax deducted at source (net of provision for tax)	29.93	38.93
	29.93	**38.93**

14 Inventories

(valued at lower of cost and net realisable value, unless otherwise stated)

Particulars	As at 31 March 2023	As at 31 March 2022
Raw materials	2,302.00	2,149.44
Work in progress	2,139.66	3,545.00
	4,441.66	**5,694.44**

Refer note 23 and 27 for details of inventories pledged against borrowings by the Company.

15 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables	17,521.82	12,024.01
Less: Allowance for expected credit loss	(83.78)	(108.47)
	17,438.04	**11,915.54**

Refer note 23 and 27 for details of trade receivables pledged against borrowings by the Company.
Refer note 45 for details about related party trade receivables.
Refer note 48 for information about credit risk and market risk of trade receivables.
Refer note 53 for trade receivables ageing

(All amounts are in INR Lakhs, unless otherwise stated)

16 Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Cash on hand	6.98	4.90
Balances with banks:		
- in current accounts	2.26	17.02
- in escrow account	0.12	0.12
- in EEFC account	0.16	1.60
- in overdraft account	2.29	-
	11.81	**23.64**

17 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Margin money deposits*	1,601.60	744.16
	1,601.60	**744.16**

* The deposits are pledged against bank guarantees issued and for cash credit / letter of credit facilities.

18 Loans (Current)

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good :		
Loans :		
- related parties (Refer note 45)	95.60	-
- others	202.78	185.94
Staff loans and advances	87.28	61.76
Other receivables	7.52	7.09
Loans receivables - credit impaired	13.66	13.66
Less: Allowance for expected credit loss	(13.66)	(13.66)
	393.18	**254.79**

Refer note 48 for information about credit risk and market risk of loans.

Notes:

(i) The loan granted during the year to related party had stipulated the scheduled repayment of principal and payment of interest and the same was not repayable on demand.

(ii) Details of loans / advances in the nature of loans to related parties:

Particulars	Debts outstanding as at 31 March 2023	Maximum balance outstanding during the year
Subsidiary		
Evigo Charge Private Limited *	95.60	95.60
(interest rate 10.00%)	(-)	(-)

Figures in bracket represents comparative figures of previous year.

* The loan have been given for business purposes.

(All amounts are in INR Lakhs, unless otherwise stated)

19 Other financial assets (Current)

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good :		
Security deposits		
- related parties (Refer note 45)	25.00	-
- others	29.32	21.08
Lease deposits:		
- related parties (Refer note 45)	343.20	338.48
- others	16.01	13.74
Interest accrued		
- on loan to related party (Refer note 45)	3.58	-
- on deposits	139.93	55.02
Receivable from related party towards sale of property, plant and equipment (Refer note 45)	3.58	-
Rent receivable (including related parties) (Refer note 45)	27.18	-
Unsecured, considered doubtful :		
Other receivables	4.84	4.84
Less: Allowance for expected credit loss	(4.84)	(4.84)
	587.80	**428.32**

Refer note 48 for information about credit risk and market risk of other financial assets.

20 Other current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with government authorities	697.40	788.17
Contract assets	14.46	14.46
Advances to suppliers		
- related parties (Refer note 45)	482.26	396.31
- others	1,222.98	1,145.40
Prepaid expenses	136.49	102.14
	2,553.59	**2,446.48**

21 Equity share capital

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised :		
15,00,00,000 (31 March 2022: 15,00,00,000) equity shares of Rs. 2 each (31 March 2022: Rs 2 each)	3,000.00	3,000.00
	3,000.00	**3,000.00**
Issued, subscribed and paid-up capital :		
12,63,15,250 (31 March 2022: 12,26,65,250) equity shares of Rs. 2 each (31 March 2022 Rs. 2 each) fully paid-up	2,526.31	2,453.31
	2,526.31	**2,453.31**

(All amounts are in INR Lakhs, unless otherwise stated)

a) Reconciliation of the number of shares:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of Shares	Amount	Number of Shares	Amount
Outstanding as at the beginning of the year	12,26,65,250	2,453.31	12,26,65,250	2,453.31
Equity shares issued during the year on conversion of share warrants *	36,50,000	73.00	-	-
Outstanding as at the end of the year	**12,63,15,250**	**2,526.31**	**12,26,65,250**	**2,453.31**

* Consequent to the approval by the Board of Directors in its meeting dated 22 August 2022 and subsequent approval by the Shareholders by Special Resolution in the Annual General Meeting dated 19 September 2022, the Board, on 30 September 2022 has allotted 1,00,00,000 Convertible Warrants carrying an entitlement to subscribe to an equivalent number of equity shares of face value of Rs 2 each at price of Rs 29.25 per warrant (including premium of Rs 27.25 per warrant), being price not lower than the minimum price calculated in accordance with the Regulations for Preferential Issue in Chapter V of SEBI (ICDR) Regulations, 2018 to the Promoters and Non-Promoters allotees. Each warrant is convertible into one equity share within a period of 18 months from the date of allotment at the option of warrant holder. As per the terms of allotment, the Company has received subscription money equivalent to 25% of the issue price and the balance 75% shall be paid by the warrant holder at the time of allotment of equity shares pursuant to exercise of option.

During the year, 36,50,000 Convertible Warrants have been converted into equivalent number of equity shares by the Promoters. As per the terms of allotment, the balance 75% subscription money payable by the warrant holder at the time of allotment of equity shares pursuant to exercise of option have been received by the Company. These equity shares issued on conversion are reflected in Benpos report of the Company subsequent to year end.

b) Rights, preference and restrictions attached to the equity shares:

The Company has single class of equity shares having a par value of Rs. 2 each. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) List of shareholders holding more than 5% shares of a class of shares :

	As at 31 March 2023		As at 31 March 2022	
	Number of Shares	Amount	Number of Shares	Amount
KDU Enterprises Private Limited	6,54,06,875	51.78%	6,34,06,875	51.69%
Mr. Venkatesh K. Uchil	2,77,72,375	21.99%	2,67,72,375	21.83%

d) Details of shares held by the holding company

	As at 31 March 2023		As at 31 March 2022	
	Number of Shares	Amount	Number of Shares	Amount
KDU Enterprises Private Limited	6,54,06,875	51.78%	6,34,06,875	51.69%

(All amounts are in INR Lakhs, unless otherwise stated)

e) Disclosure of shareholding of promoters

Equity shares of Rs 2 each fully paid-up

Promoter's name	Shareholding		% change during the year	
	Number of Share	% of holding	Number of Share	% of holding
KDU Enterprises Private Limited	6,54,06,875 *(6,34,06,875)*	51.78% *(51.69%)*	20,00,000	0.09%
Mr. Venkatesh K. Uchil	2,77,72,375 *(2,67,72,375)*	21.99% *(21.83%)*	10,00,000	0.16%
Mr. Vinay K. Uchil	7,29,000 *(9,000)*	0.58% *(0.01%)*	7,20,000	0.57%
Ms. Tanuja D. Pudhierkar	1,000 *(1,000)*	0.001% *(0.001%)*	-	0.00%

(figures in bracket denote previous year figures)

f) The Company has neither allotted any fully paid-up equity share by way of bonus shares, or in pursuant to contract without payment being received in cash nor has bought back any class of equity shares during the period of five year immediately preceding the balance sheet date.

22 Other equity

Particulars	As at 31 March 2023	As at 31 March 2022
Securities premium	4,978.17	3,983.54
General reserve	708.10	708.10
Retained earnings	9,038.45	7,074.25
Other component of equity	292.46	196.87
Money received against share warrants	464.34	-
	15,481.52	**11,962.76**

Nature and purpose of reserves:

Securities premium: Securities premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provision of the Companies Act, 2013.

General reserve: General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer of one component of equity to another.

Retained earnings: Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders. Further, it also includes the impact of remeasurements of the defined benefit obligations, net of tax.

Other component of equity: Other component of equity represents fair value of financial guarantee.

Money received against share warrants: Represents subscription money received by the Company as per the terms of allotment equivalent to 25% of the issue price of share warrants.

(All amounts are in INR Lakhs, unless otherwise stated)

23 Borrowings (Non-current)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Non current	Current	Non current	Current
Secured :				
Term loans :				
(a) From banks :				
(i) Vehicle loans {refer note (a) to (b)}	0.52	0.64	2.12	3.13
(ii) Other term loans {refer note (c) to (g)}	1,787.25	622.40	423.53	427.40
(b) From others:				
Vehicle loan {refer note (h) to (i)}	12.99	6.39	13.61	3.77
	1,800.76	**629.43**	**439.26**	**434.30**

Notes:

(a) Indian rupee vehicle loans from ICICI Bank Limited carrying value of Rs 1.16 lakhs as at 31 March 2023 (31 March 2022: Rs 2.73 lakhs) secured against hypothecation of vehicles is repayable in 60 monthly installments. The loans carry interest ranging from 9.00% p.a. to 9.75% p.a. (31 March 2022: 9.00% p.a. to 9.75% p.a.).

(b) Indian rupee vehicle loan from Axis Bank Limited carrying value of Rs Nil as at 31 March 2023 (31 March 2022: Rs 2.52 lakhs) secured against hypothecation of the vehicle is repayable in 36 monthly installments. The loan carries an interest of NA (31 March 2022: 8.76% p.a.).

(c) Indian rupee term loan from Kotak Mahindra Bank Limited carrying value of Rs 298.56 lakhs as at 31 March 2023 (31 March 2022: Rs 633.08 lakhs) is primarily secured by equitable mortgage of industrial property at plot no. 54, 57, 55 and 56, Verna Industrial Estate, Phase IV, Salcete, Goa. The loan is repayable in 60 monthly installments. The loan carries an interest of K-MCLR 6M + Spread of 1.15% p.a. (31 March 2022: K-MCLR 6M + Spread of 1.15% p.a.). The loan is backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited, the Holding Company.

(d) Indian rupee term loan from Kotak Mahindra Bank Limited under Guaranteed Emergency Credit Line (GECL) under ECLGS scheme carrying value of Rs 108.79 lakhs as at 31 March 2023 (31 March 2022: Rs 178.51 lakhs) is secured by equitable mortgage of industrial property at plot no. 54, 57, 55 and 56, Verna Industrial Estate, Phase IV, Salcete, Goa. The loan is repayable in 48 monthly installments including moratorium of 12 months. The loan carries an interest of 8.00% p.a. (31 March 2022: 8.00% p.a.). The loan is backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited, the Holding Company.

(e) Indian rupee term loan from State Bank of India carrying value of Rs Nil as at 31 March 2023 (31 March 2022: Rs 39.34 lakhs) is primarily secured by hypothecation charge over inventory, book debts and other movable current assets, present & future at Mumbai and both the Goa plants. The loan is collaterally secured by:

(i) Commercial Building bearing Survey Number: A2, B1, B2, Ground Floor, situated at Unit No. A-2, B-1, B-2, Ground Floor, Udyog Sadan No. 3, Industrial Computer & Software Premises Co-op. Society Ltd., Near Seepz Bus Stop, Central Road, Seepz, Andheri East, Mumbai, 400093;

(ii) P & M at (a) B-1, Udyog Sadan- 3 Andheri and (b) 5-17/18 Goa;

(iii) Factory Land & Buildings bearing Survey Number: 30, situated at Plot No. 17 & 18, bearing Survey No. 30, Verna Industrial Estate, Phase I, Village Nagoa, District Salcete, South Goa, Village Nagoa, District Salcete, Goa, 403722;

(iv) Residential Building bearing Survey Number : 502A and 502B, situated at 502/A and 502/B, Fifth Floor, Heritage, Hiranandani gardens, CTS Nos. 20(pt), 21(pt), 22(pt) and 30(pt), Powai, Mumbai, 400 076;

(All amounts are in INR Lakhs, unless otherwise stated)

(v) Commercial Building bearing Survey Number: D-1 & B-3, situated at Unit No. D-1 & B-3, Ground Floor, Udyog Sadan No. 3, Industrial Computer & Software Premises Co-op. Society Ltd., Near Seepz Bus Stop, Central Road, Seepz, Andheri East, Mumbai, 400093;

The loan is repayable in 24 monthly installments including moratorium of 6 months. The loan carries an interest of 1 year MCLR with annual reset (31 March 2022: 1 year MCLR with annual reset). The loan is backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited, the Holding Company and Philins Industrial Corporation.

(f) Indian rupee term loan from The Karur Vysya Bank Limited carrying value of Rs 1,372.97 lakhs as at 31 March 2023 (31 March 2022: Rs Nil) is primarily secured by mortgage of commercial land and building situated at ground + 2 upper floors, road no.9, MIDC Marol, Plot No. 16, Village Mulgaon, Andheri East, Mumbai - 400093. The loan is repayable in 120 monthly installments. The loan carries an interest of 3 months MCL rate of the bank (31 March 2022: NA). The loan is backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited, the Holding Company.

(g) Indian rupee term loan from Kotak Mahindra Bank Limited carrying value of Rs 629.33 lakhs as at 31 March 2023 (31 March 2022: Rs Nil) is primarily secured by equitable mortgage of industrial property at plot no. 54, 57, 55 and 56, Verna Industrial Estate, Phase IV, Salcete, Goa. The loan is repayable in 60 monthly installments. The loan carries an interest of Repo Rate + Spread of 3.25% p.a. (31 March 2022 : NA). The loan is backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited, the Holding Company.

(h) Indian rupee vehicle loan from Kotak Mahindra Prime Limited carrying value of Rs 13.61 lakhs as at 31 March 2023 (31 March 2022: Rs 17.38 lakhs) secured against hypothecation of vehicle is repayable in 60 monthly installments. The loan carries an interest of 7.72% p.a. (31 March 2022: 7.72% p.a.)

(i) Indian rupee vehicle loan from Kotak Mahindra Prime Limited carrying value of Rs 5.77 lakhs as at 31 March 2023 (31 March 2022: Rs Nil) secured against hypothecation of vehicle is repayable in 36 monthly installments. The loan carries an interest ranging from 8.50% p.a to 9.00% p.a (31 March 2022: NA)

Net Debt Reconciliation

Particulars	As at 31 March 2023	As at 31 March 2022
Current borrowings	2,967.76	1,901.37
Non-current borrowings (including current maturities of long-term debts)	2,430.19	873.56
Lease liabilities	58.15	127.80
	5,456.10	**2,902.73**

Particulars	Current borrowings	Non-Current borrowings	Lease liabilities	Total
Balance as at 31 March 2021	**3,014.94**	**1,378.61**	**380.10**	**4,773.65**
Cash flows (net)	(1,113.57)	(516.40)	(278.23)	(1,908.20)
Interest expense	174.19	94.04	25.93	294.16
Interest paid	(174.19)	(96.10)	-	(270.30)
Other non-cash movements:				
Effective interest rate adjustment	-	13.42	-	13.42
Balance as at 31 March 2022	**1,901.37**	**873.56**	**127.80**	**2,902.73**
Cash flows (net)	1,066.39	1,519.27	(77.48)	2,508.18
Interest expense	244.01	209.46	7.83	461.30
Interest paid	(244.01)	(199.55)	-	(443.56)
Other non-cash movements:				
Effective interest rate adjustment	-	27.45	-	27.45
Balance as at 31 March 2023	**2,967.76**	**2,430.19**	**58.15**	**5,456.10**

(All amounts are in INR Lakhs, unless otherwise stated)

24 Lease liabilities (refer note 46)

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current	57.27	59.57
Current	0.88	68.23
	58.15	**127.80**

25 Other financial liabilities (Non-current)

Particulars	As at 31 March 2023	As at 31 March 2022
Lease deposits	108.00	-
	108.00	**-**

26 Provisions (Non-current)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employees benefits		
Gratuity (refer note 44)	258.60	226.23
Compensated absences (refer note 44)	63.57	60.54
	322.17	**286.77**

27 Borrowing (Current)

Particulars	As at 31 March 2023	As at 31 March 2022
Secured		
Cash credits from banks(refer note (a) to (c))	2,967.76	1,901.37
Current maturities of long-term borrowings (refer note 23)	629.43	434.30
	3,597.19	**2,335.67**

Notes:

(a) Cash credit facility from Axis Bank Limited outstanding of Rs 256.45 lakhs as at 31 March 2023 (31 March 2022: Rs 43.97 lakhs) carrying interest of Repo + 4.25% (31 March 2022: Repo + 5.25%) is repayable on demand. These are secured by hypothecation of entire current assets including stock, raw material, semi-finished goods, consumable stores, receivables, bills, deposits etc. and moveable fixed assets both present and future of the Company in pari passu with other banks. The facility is collaterally secured by exclusive charge on industrial property situated at Plot No. C1, B-71 and C1, B-72, GIDC Industrial Estate, Surat Hazira Road, Ichchpore, Bhatpore, Opp. GAIL Colony, Surat - 394510 and exclusive charge on land and building at Plot No. N-51, 52, 59 & 60, Phase IV, Verna Industrial Estate, Salcete, Goa owned by the Company.

The facility is backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited, the Holding Company.

(b) Cash credit facility from State Bank of India outstanding of Rs 2,034.10 lakhs as at 31 March 2023 (31 March 2022: Rs 1,410.27 lakhs) carrying interest of 2.00% above 6M MCLR (31 March 2022: 2.75% above 6M MCLR) is repayable on demand. These are secured by 1st pari passu hypothecation charge over inventory, book debts and other movable current assets, present & future at Mumbai and Goa plants. The facility is collaterally secured by:

i) Equitable / Registered Mortgage of Unit No B-1, Ground Floor, Industrial Computer and Software Premises Co-Op. Soc. Ltd., Udyog Sadan-3, Plot no-F-4+5+6, MIDC, Andheri (E), Mumbai owned by the Company;

ii) Equitable Mortgage on factory premises at S-17/18, Verna Industrial Estate, Phase-1, Verna Electronic City, Salcete, Goa owned by the Company;

iii) Hypothecation of all Plant & Machinery, present and future at Mumbai and Goa plants;

iv) Equitable / Registered Mortgage on Unit No A-2, Ground Floor, Industrial Computer and Software Premises Co-Op. Soc. Ltd., Udyog Sadan No.3, Central Road, Near Seepz Bus Depot, Andheri (E), Mumbai owned by M/s Philins Industrial Corporation;

(All amounts are in INR Lakhs, unless otherwise stated)

v) Equitable / Registered Mortgage of Unit No B-2, D-1, B-3 Ground Floor, Industrial Computer and Software Premises Co-Op. Soc. Ltd., Udyog Sadan No.3, Central Road, Near Seepz Bus Depot, Andheri (E), Mumbai owned by KDU Enterprises Private Limited;

vi) Equitable / Registered Mortgage on 502/A and 502/B, Fifth Floor, Heritage, Hiranandani Gardens, CTS Nos. 20(pt), 21(pt), 22(pt) and 30(pt), Powai, Mumbai - 400076 owned by Mr. Venkatesh Uchil.

The facility is backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited, the Holding Company and Philins Industrial Corporation.

(c) Cash credit facility from Indusind Bank outstanding of Rs 677.21 lakhs as at 31 March 2023 (31 March 2022: Rs 447.13 lakhs) carrying interest of floating rate of 6M MCLR + 0.75% p.a. (31 March 2022: 6M CD rate + 5.31%) is repayable on demand. These are secured by first pari-passu charge on entire current assets of the Company. The facility is collaterally secured against fixed deposit of Rs. 1,620 lakh.

The facility is backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited, the Holding Company.

(d) The quarterly returns/ statements read with subsequent revisions, if any, filed by the Company with the banks are in agreement with the books of accounts.

28 Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding dues to micro and small enterprises (Refer note 43)	95.19	81.22
Total outstanding dues to creditors other than micro and small enterprises*	10,447.22	7,951.76
Total	**10,542.41**	**8,032.98**

* For details about related party trade payables, refer note 45.

For trade payables ageing, refer note 54.

29 Other financial liabilities (Current)

Particulars	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due on borrowings	13.98	4.07
Lease deposits	20.00	20.00
Employee dues payable	91.58	213.02
Unpaid dividends	0.91	0.92
Creditors for purchase of property, plant and equipment	185.06	305.59
	311.53	**543.60**

30 Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Contract liabilities	1,296.26	729.21
Statutory dues payable	210.33	84.36
Other payables	787.59	787.59
	2,294.18	**1,601.16**

31 Provision (Current)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits:		
Gratuity (Refer note 44)	15.39	21.50
Compensated absences (Refer note 44)	1.37	1.29
	16.76	**22.79**

(All amounts are in INR Lakhs, unless otherwise stated)

32 Current tax liabilities (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for tax (net of advance tax)	178.85	151.51
	173.85	**151.51**

33 Revenue from operations

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from contract with customers:		
Sale of products:		
- Electricals and electronics	36,618.12	30,149.08
- Solar	-	48.58
	36,618.12	30,197.66
Sale of services:		
- Electricals and electronics	2,384.08	1,864.08
- Solar	38.59	181.50
	2,422.67	2,045.58
Other operating revenues:		
Duty drawback	86.34	45.32
	39,127.13	**32,288.56**

Disaggregation of revenue:

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

<u>Revenue by geography:</u>

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
- Within India	34,002.06	29,348.06
- Outside India #	5,038.73	2,895.18
	39,040.79	**32,243.24**

including deemed export of Rs 1,235.81 lakhs (31 March 2022: Rs 164.21 lakhs)

<u>Revenue by time:</u>

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Over a period of time	38.59	230.08
At a point in time	39,002.20	32,013.16
	39,040.79	**32,243.24**

Reconciliation of revenue recognised with contract price:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Contract price	39,040.79	32,243.24
Adjustments for:		
Claims and rebates	-	-
	39,040.79	**32,243.24**

(All amounts are in INR Lakhs, unless otherwise stated)

Trade receivables and contract balances:

(i) The Company classifies the right to consideration in exchange for deliverables as either a receivable or as contract asset.

(ii) A receivable is a right to consideration that is unconditional upon passage of time.

(iii) The contract assets primarily relate to the Company's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the right become unconditional. Contract assets are presented in note 20.

(iv) The contract liabilities primarily relate to the advance consideration received from customers. Contract liabilities are presented in note 30.

(v) Trade receivables are presented net off loss allowance in note 15.

Movement in contract balances:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Movement in contract assets:		
Opening balances as on 1 April	14.46	183.48
Add: Revenue recognized during the year	-	-
Less: Invoiced during the year	-	(169.02)
Closing balance as on 31 March	**14.46**	**14.46**
Movement in contract liabilities:		
Opening balances as on 1 April	729.21	1,006.17
Less: Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	(691.90)	(852.71)
Add: Deferred revenue and advance from customers	1,258.95	575.75
Closing balance as on 31 March	**1,296.26**	**729.21**

34 Other income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income on:		
- financial instruments at amortised cost	4.73	30.80
- term deposits	146.42	50.92
- inter corporate loan	22.69	14.64
- advance towards purchase of equity instruments {Refer note 66(b)}	12.07	9.73
Finance guarantee income	0.70	0.45
Exchange gain (net)	64.02	127.02
Share of profit in a partnership firm	196.94	103.90
Liabilities/ sundry balances written back	14.70	60.91
Allowance for expected credit loss written back	24.69	10.00
Rental income	73.23	111.68
Sale of scrap	8.29	4.24
Insurance claim	0.21	9.45
Sales tax refund	-	16.27
Profit on sale of property, plant and equipment (net)	41.08	-
Miscellaneous income	3.63	0.22
	613.40	**550.23**

(All amounts are in INR Lakhs, unless otherwise stated)

35 Cost of materials consumed

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventory of materials at the beginning of the year	2,149.44	2,120.41
Add: Purchases	28,367.76	24,505.54
	30,517.20	26,625.95
Less: Inventory of materials at the end of the year	2,302.00	2,149.44
	28,215.20	**24,476.51**

36 Changes in inventories of finished goods and work in progress

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventories at the beginning of the year:		
Work in progress	3,545.00	3,738.39
	3,545.00	3,738.39
Inventories at the end of the year:		
Work in progress	2,139.66	3,545.00
	2,139.66	3,545.00
	1,405.34	**193.39**

37 Employee benefits expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and allowances	2,184.80	1,947.79
Contribution to provident and other funds (Refer note 44)	117.16	97.22
Gratuity (Refer note 44)	61.54	54.79
Compensated absences (Refer note 44)	46.56	27.77
Staff welfare	157.26	112.22
	2,567.32	**2,239.79**

38 Finance costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on:		
- financial instruments at amortised cost	27.45	13.42
- borrowings from banks and others	453.47	268.23
- statutory payments	28.97	1.71
- lease liabilities	7.83	25.93
Bank charges	315.50	309.05
Corporate guarantee fees	28.93	26.82
Other financial charges	-	0.02
	862.15	**645.18**

39 Depreciation and amortization expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment	437.28	399.67
Depreciation on right-of-use assets	91.15	279.09
Depreciation on investment property	55.72	60.56
Amortization on intangible assets	28.42	21.01
	612.57	**760.33**

(All amounts are in INR Lakhs, unless otherwise stated)

40 Other expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Rent	291.68	90.14
Power and fuel	132.23	92.21
Repair and maintenance		
- plant and machinery	120.50	74.90
- buildings	1.25	1.27
Vehicle running expense	32.44	21.92
Rates and taxes	104.15	41.74
Insurance	34.99	27.58
Liquidation damages	75.69	208.92
Inspection charges	210.49	184.20
Commissioning expenses	276.95	295.38
Clearing and forwarding charges	437.41	546.67
Traveling and conveyance	259.99	130.80
Postage and communication	43.06	37.94
Legal and professional fees	781.01	553.67
Payment to auditors (Refer note below)	17.99	15.37
Contribution towards Corporate Social Responsibility (Refer note 50)	15.20	15.85
Director sitting fees	5.50	5.55
Share of loss in a jointly controlled entity	-	2.42
Housekeeping and security charges	74.25	63.86
Printing and stationery	44.05	31.49
Sales promotion and advertisement expenses	192.67	40.53
Sundry balances written off	11.50	8.59
Bad debts written off	181.89	85.85
Allowance for expected credit loss	-	5.05
Loss on sale of property, plant and equipment (net)	-	85.34
Miscellaneous expenses	96.52	92.64
	3,441.41	**2,759.88**

Note:

Payment to auditors comprise:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
To statutory auditor:		
- for audit / limited review	17.95	15.25
- for certification	-	0.10
- for reimbursement of expenses	0.04	0.02
	17.99	**15.37**

(All amounts are in INR Lakhs, unless otherwise stated)

41. Income tax

The major components of income tax expense for the year ended 31 March 2023 and 31 March 2022 are:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Statement of profit and loss section		
Current income tax :		
Current income tax charge	656.31	535.56
Adjustment in respect of tax for earlier years	(23.55)	56.73
Deferred tax charge/(credit) :		
Relating to origination and reversal of temporary differences	53.16	(75.22)
Income tax expense reported in the statement of profit and loss	**685.92**	**517.07**
Other comprehensive income section		
Income tax relating to items that will not be reclassified to profit or loss	(4.56)	(0.12)
	690.48	**517.19**

Reconciliation of tax expense and the accounting profit

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Accounting profit before tax	2,636.54	1,763.71
Computed tax expense :	663.56	443.89
At statutory income tax rate of 25.168% (31 March 2022: 25.168%)		
Adjustments for :		
Amounts which are non-deductible in calculating taxable income	13.38	5.80
Expenses deductible for tax purpose	(5.53)	(8.43)
Income which is exempt for tax purpose	(49.57)	(25.72)
Effect of difference in tax rate	(4.18)	8.68
Adjustment in respect of tax for earlier years	(23.55)	56.73
Others	96.37	36.25
At the effective income tax rate	690.48	517.19
Income tax expense reported in statement of profit and loss	**690.48**	**517.19**

Deferred tax relates to the following

Particulars	Balance sheet		Statement of profit and loss	
	As at 31 March 2023	As at 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Provision allowed under tax on payment basis	85.33	99.12	(13.79)	16.51
Share issue expenses allowable u/s 35D of the Income-tax Act, 1961	-	10.04	(10.04)	(10.04)
Measurement of financial assets and liabilities at amortised cost, net	2.91	27.12	(24.21)	6.80
Ind AS 116 - "Leases”	40.25	38.62	1.63	0.31
Ind AS 115 - "Revenue from contracts with customers”	(4.42)	(4.42)	-	26.24
Accelerated depreciation for tax purpose	(83.05)	(73.75)	(9.30)	35.40
Others	0.52	2.52	(2.00)	(0.12)
Net deferred tax (charge) / credit			**(57.72)**	**75.10**
Net deferred tax assets / (liabilities)	**41.54**	**99.25**		

(All amounts are in INR Lakhs, unless otherwise stated)

Reflected in the balance sheet as follows

Particulars	**As at 31 March 2023**	**As at 31 March 2022**
Deferred tax liabilities	(87.47)	(78.17)
Deferred tax assets	129.01	177.42
Deferred tax assets / (liabilities), net	**41.54**	**99.25**

Reconciliation of deferred tax (liabilities) / assets, net

Particulars	**As at 31 March 2023**	**As at 31 March 2022**
Opening balance as on April 1	99.25	24.15
Tax (income) / expense during the year recognised in statement of profit and loss	53.16	(75.22)
Tax (income) / expense during the year recognised in other comprehensive income	4.56	0.12
Closing balance	**41.54**	**99.25**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

42. Earnings per share

The following table set forth the computation of basic and dilutive earnings per share:

Particulars	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Net profit for the year attributable to equity shareholders	1,950.62	1,246.64
Weighted average number of equity shares outstanding during the year	12,29,85,524	12,26,65,250
Weighted average number of equity shares (including dilutive shares) outstanding during the year	12,52,98,180	12,26,65,250
Basic Earnings per equity share [Face value of Rs. 2 each] (Rupees)	1.59	1.02
Diluted earnings per equity share [Face value of Rs. 2 each] (Rupees)	1.56	1.02

Reconciliation of shares used in computing earnings per share

Particulars	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
No. of equity shares at the beginning of the year	12,26,65,250	12,26,65,250
Add: Equity shares issued during the year on conversion of share warrants *	36,50,000	-
No. of equity shares at the end of the year	**12,63,15,250**	**12,26,65,250**
Weighted average number of equity shares outstanding during the year	12,29,85,524	12,26,65,250
Add: Weighted average number of potential equity shares on account of convertible share warrants *	23,12,656	-
Weighted average number of equity shares (including dilutive shares) outstanding during the year	**12,52,98,180**	**12,26,65,250**

* During the year, the Company has alloted 1,00,00,000 Convertible Warrants carrying an entitlement to subscribe to an equivalent number of equity shares of face value of Rs 2 each at price of Rs 29.25 per warrant (including premium of Rs 27.25 per warrant). As per the terms of allotment, the Company has received subscription money equivalent to 25% of the issue price and the balance 75% shall be paid by the warrant holder at the time of allotment of equity shares pursuant to exercise of option. Of the above, 36,50,000 Convertible Warrants have been converted into equivalent number of equity shares during the year and the balance 75% subscription money payable by the warrant holder at the time of allotment of equity shares pursuant to exercise of option have been received by the Company.

(All amounts are in INR Lakhs, unless otherwise stated)

43. Dues to micro and small enterprises

The information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Particulars	As at 31 March 2023	As at 31 March 2022
Principal amount remaining unpaid	95.19	81.22
Interest accrued and due thereon remaining unpaid	-	-
Interest paid by the Company in terms of section 16 of MSMED Act 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-
Interest due and payables for the period of delay in making payment (which has been paid but beyond the appointed day during the year), but without adding the interest specified under MSMED Act, 2006.	-	-
Interest accrued and remaining unpaid as at the end of the year	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

There are no amounts of interest paid during the year for payments made beyond the appointed day. Also, there is no amount of interest accrued and remaining unpaid as at period end for principal amount outstanding beyond the appointed day.

44. Employee benefits

(i) Defined contribution plans:

The Company makes contributions, determined as a specified percentage of employees salaries, in respect of qualifying employees towards provident fund, employees state insurance scheme and labour welfare scheme, which are defined contribution plans. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The contributions are charged to the statement of profit and loss as they accrue. The amount recognized as an expense towards contribution to provident and other funds for the year aggregated to Rs. 117.16 lakhs (31 March 2022: Rs 97.22 lakhs).

(ii) Defined benefit plans:

The Company operates an unfunded post-employment defined benefit plan that provides for gratuity benefit. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive gratuity at 15 days salary (salary last drawn) for each completed years of service at the time of retirement / exit.

The Company determines the gratuity liability based on the actuarial valuation using Projected Unit Credit Method by an Independent firm of Actuaries that is registered with The Institute of Actuaries of India.

The following table summarizes the position of obligation relating to gratuity plan:

Reconciliation of Defined Benefit Obligation ("DBO")

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Present value of DBO at start of the year	247.73	205.14
Current service cost	43.70	40.64
Interest cost	17.84	14.15
Benefits paid	(17.14)	(11.73)
Re-measurements		
Actuarial loss / (gain) from changes in financial assumptions	-	(8.20)
Actuarial loss / (gain) from experience over the past year	(18.14)	7.73
Present value of DBO at end of the year	**273.99**	**247.73**

(All amounts are in INR Lakhs, unless otherwise stated)

Net Liability / (Asset) recognised in the Balance Sheet

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of DBO	273.99	247.73
Fair value of plan assets	-	-
Liability / (Asset) recognised in the Balance Sheet	**273.99**	**247.73**

Expense recognised in the statement of profit and loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	43.70	40.64
Net interest on net defined benefit liability / (asset)	17.84	14.15
Total	**61.54**	**54.79**

Income / (Loss) recognised in other comprehensive income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial (loss) / gain from changes in financial assumptions	-	(8.20)
Actuarial (loss) / gain from experience over the past year	(18.14)	7.73
Total income / (loss)	**(18.14)**	**(0.47)**

Actuarial assumptions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salary growth rate	8% p.a.	8% p.a.
Discount rate	7.2% p.a.	7.2% p.a.
Interest rate on Net DBO	7.2% p.a.	6.9% p.a.
Withdrawal rate	2% p.a.	2% p.a.
Mortality rates	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Weighted average duration of the obligation	11 years	12 years

Experience adjustments

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Defined benefit obligation	273.99	247.73
Funded Status [Surplus/ (Deficit)]	(273.99)	(247.73)
Exp. Adj. on plan liabilities: (gain) / loss	(18.14)	7.73
Exp. Adj. on plan assets: gain / (loss)	NA	NA

Sensitivity analysis

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

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2023	
	Increases 1%	Decreases 1%
Salary growth rate	DBO increases by Rs 30.77 lakhs	DBO decreases by Rs. 26.87 lakhs
Discount rate	DBO decreases by Rs 26.83 lakhs	DBO increases by Rs 31.31 lakhs
Withdrawal rate	DBO decreases by Rs 2.76 lakhs	DBO increases by Rs 3.04 lakhs
Mortality (increase in expected lifetime by 1 year)	DBO increases by Rs 0.03 lakhs	NA
Mortality (increase in expected lifetime by 3 years)	DBO increases by Rs 0.10 lakhs	NA

Particulars	For the year ended 31 March 2022	
	Increases 1%	Decreases 1%
Salary growth rate	DBO increases by Rs 28.64 lakhs	DBO decreases by Rs. 24.48 lakhs
Discount rate	DBO decreases by Rs 24.44 lakhs	DBO increases by Rs 29.16 lakhs
Withdrawal rate	DBO decreases by Rs 2.58 lakhs	DBO increases by Rs 2.83 lakhs
Mortality (increase in expected lifetime by 1 year)	DBO increases by Rs 0.03 lakhs	NA
Mortality (increase in expected lifetime by 3 years)	DBO increases by Rs 0.09 lakhs	NA

The sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

Risk exposures:

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

(A) **Salary Increases:** Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

(B) **Discount Rate:** Reduction in discount rate in subsequent valuations can increase the plan's liability.

(C) **Withdrawals:** Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

(D) **Mortality & disability:** Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

(iii) Other long-term employee benefits:

Compensated absences

The compensated absences cover the company's liability for earned leave.

The Company has recognised an amount of Rs.46.56 lakhs (31 March 2022: Rs. 27.77 lakhs) as an expense towards compensated absences and included in "Employee benefits expense" in the Statement of Profit and Loss. The Company has determined the liability for compensated absences based on the actuarial valuation using Projected Unit Credit Method.

(All amounts are in INR Lakhs, unless otherwise stated)

45 Related party disclosures

A) Name of related parties

(I) Holding Company

KDU Enterprises Private Limited

(II) Other related parties

(a) (a) Subsidiaries / step down subsidiary

Eltech Engineers Madras Private Limited
Evigo Charge Private Limited (formerly known as Evigo Charging Consultants Private Limited)
Narhari Engineering Works
MEL Power Systems FZC
STI SRL, a subsidiary company of MEL Power Systems FZC
Xanatos Marine Ltd. (w.e.f. 4 January 2023)

(b) Jointly controlled entity

Automatic Electronic Controls Manufacturing Co.

(c) Partnership firms in which directors are partners*

DKM Precision Engineers
Philins Industrial Corporation

(d) Enterprises in which directors have significant influence*

KDU Marine Equipment Trading and Maintenance LLC
KDU Worldwide Technical Services Ghana Private Limited
Mcgeoch Marine Electricals Private Limited
Switch N Control Gears Private Limited

(III) Key management personnel and relatives

(a) Whole-time directors

Mr. Vinay Uchil, Chairman and Executive Director
Mr. Venkatesh Uchil, Managing Director
Mr. Shailendra Shukla, Executive Director (w.e.f. 30 June 2022) #
does not draw any remuneration from the Company.

(b) Non-whole-time directors

Mr. Shailendra Shukla, Non Executive Independent Director (upto 29 June 2022)
Mr. Madan Pendse, Non Executive Independent Director
Mr. Nikunj Mishra, Non Executive Independent Director
Mr. Vikas Jaywant, Non Executive Independent Director
Mr. Mohan Rao, Non Executive Independent Director
Ms. Archana Rajagopalan, Non Executive Independent Director
Ms. Tanuja Pudhierkar, Non Executive Non Independent Director

(c) Executive officers

Ms. Namita Sethia, Chief Financial Officer (w.e.f. 30 July 2022)
Mr. U.M. Bhakthavalsalan, Chief Financial Officer (w.e.f. 04 August 2022)
Ms. Mitali Ambre, Company Secretary and Compliance Officer

(d) Relatives

Ms. Rashmi Uchil, Wife of Mr. Vinay Uchil
Ms. Reshma Uchil, Wife of Mr. Venkatesh Uchil

* Restricted to entities with whom the Company has transactions during the reporting years or balances as at the end of reporting years.

(All amounts are in INR Lakhs, unless otherwise stated)

B) Related party transactions during the year

Particulars		For the year ended 31 March 2023	For the year ended 31 March 2022
a)	**Lease rent payment**		
	KDU Enterprises Private Limited	273.43	277.89
	Philins Industrial Corporation	39.22	35.40
	Ms. Rashmi Uchil	9.00	9.00
b)	**Rental income**		
	Switch N Control Gears Private Limited	15.57	12.74
c)	**Interest income on inter corporate loan**		
	Evigo Charge Private Limited	3.98	-
d)	**Professional fees**		
	Ms. Rashmi Uchil	9.00	4.50
	Switch N Control Gears Private Limited	-	50.14
e)	**Share in profit / (loss) of partnership firm / jointly controlled entity**		
	Narhari Engineering Works	196.94	103.90
	Automatic Electronic Controls Manufacturing Co.	-	(2.42)
f)	**Finance guarantee income**		
	Narhari Engineering Works	0.70	0.45
g)	**Purchases**		
	KDU Enterprises Private Limited	156.17	113.42
	KDU Marine Equipment Trading and Maintenance LLC	11.40	0.50
	MEL Power Systems FZC	114.77	115.55
	Philins Industrial Corporation	12.02	4.77
	Switch N Control Gears Private Limited	166.02	126.37
	STI SRL	104.58	52.38
	Evigo Charge Private Limited	3.26	-
	Mcgeoch Marine Electricals Private Limited	2.28	-
h)	**Commissioning expenses**		
	KDU Marine Equipment Trading and Maintenance LLC	9.34	-
i)	**Sales**		
	Mcgeoch Marine Electricals Private Limited	27.14	82.41
	MEL Power Systems FZC	110.16	123.46
	KDU Marine Equipment Trading and Maintenance LLC	15.77	39.41
	Evigo Charge Private Limited	252.73	18.07
j)	**Sale of property, plant and equipment**		
	Evigo Charge Private Limited	3.58	-
k)	**Advance paid to suppliers**		
	Eltech Engineers Madras Private Limited	17.30	22.17
l)	**Advance to suppliers received back**		
	Mcgeoch Marine Electricals Private Limited	-	18.07
	Philins Industrial Corporation	-	23.98
	DKM Precision Engineers	-	300.00

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
m) Capital withdrawal		
Automatic Electronic Controls Manufacturing Co.	-	0.34
Narhari Engineering Works	-	346.00
n) Investment in preference instruments of subsidiary		
Evigo Charge Private Limited	30.96	50.38
o) Purchase of intellectual property		
Eltech Engineers Madras Private Limited	-	60.20
p) Sale of intellectual property		
Switch N Control Gears Private Limited	-	60.20
q) Loan given		
Evigo Charge Private Limited	95.60	-
r) Deposit given		
Evigo Charge Private Limited	25.00	-
s) Loan repaid		
Eltech Engineers Madras Private Limited	-	50.00
t) Interest on loan repaid		
Eltech Engineers Madras Private Limited	-	12.87
u) Corporate guarantee fees		
KDU Enterprises Private Limited	28.93	26.82
v) Bad debts written off		
KDU Worldwide Technical Services Ghana Private Limited	-	5.81
w) Transactions with key management personnel and relatives		
Salaries and other employee benefits to whole-time directors, executive officers and relatives *	189.29	152.19
Director sitting fees to non-executive / independent directors	5.50	5.55

* As the future liability for gratuity and compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above.

Note:

Amounts of transactions during the year pertaining to statement of profit and loss are gross of taxes, wherever applicable.

(All amounts are in INR Lakhs, unless otherwise stated)

C) **Outstanding balances as at year end**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
a) Loan given including interest (net of TDS)		
Evigo Charge Private Limited		
Principal	95.60	-
Interest	3.58	-
b) Trade receivables		
DKM Precision Engineers	1.66	19.16
KDU Marine Equipment Trading and Maintenance LLC	-	61.33
KDU Worldwide Technical Services Ghana Private Limited	49.47	45.58
MEL Power Systems FZC	55.63	40.24
Mcgeoch Marine Electricals Private Limited	57.33	46.19
Evigo Charge Private Limited	265.39	18.07
Switch N Control Gears Private Limited	-	32.38
c) Advance to suppliers		
Eltech Engineers Madras Private Limited	145.63	128.34
STI SRL	267.97	267.97
MEL Power Systems FZC	68.65	-
d) Trade payables		
KDU Enterprises Private Limited	48.45	34.73
KDU Marine Equipment Trading and Maintenance LLC	4.26	0.51
MEL Power Systems FZC	-	41.44
STI SRL	87.16	8.51
Mcgeoch Marine Electricals Private Limited	2.28	-
Evigo Charge Private Limited	3.25	-
e) Deposits		
KDU Enterprises Private Limited	288.00	285.93
Philins Industrial Corporation	48.00	45.51
Ms. Rashmi Uchil	7.20	7.04
Evigo Charge Private Limited	25.00	-
f) Receivables towards sale of property, plant and equipment		
Evigo Charge Private Limited	3.58	-
g) Rent receivable		
Switch N Control Gears Private Limited	5.94	-
h) Payables to key management personnel and relatives		
Salaries and other employee benefits to whole-time directors, executive officers and relatives *	-	1.62
Director sitting fees to non-executive / independent directors	1.22	0.95

* As the future liability for gratuity and compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above.

(All amounts are in INR Lakhs, unless otherwise stated)

46. Leases

The following is the break-up of lease liabilities as at reporting date

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current	57.27	59.57
Current	0.88	68.23
Total	**58.15**	**127.80**

The following is the movement of lease liablities

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the start of the year	127.80	380.10
Lease rent payment	(77.48)	(278.23)
Finance cost incurred	7.83	25.93
Balance at the end of the year	**58.15**	**127.80**

Amount recognized in statement of profit and loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on lease liabilities	7.83	25.93
Depreciation on right-of-use assets	91.15	279.09
Expense relating to short-term leases and low value assets	291.68	90.14
	390.66	**395.16**

The maturity analysis of lease liabilities is disclosed in Note 48.

47. Segment information

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker ("CODM"), in deciding how to allocate resources and assessing performance. The Board of Directors of the Company are identified as the CODM. Based on the nature of products and services, the risk and return profile of individual business and the internal business reporting systems, the Company has identified its reportable segments as under:

a. Electricals and Electronics

b. Solar

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A. Segment revenue		
(a) Electricals and Electronics	39,088.54	32,058.48
(b) Solar	38.59	230.08
Revenue from operations	**39,127.13**	**32,288.56**
B. Segment results		
(a) Electricals and Electronics	3,148.53	2,459.11
(b) Solar	(223.25)	(393.38)
Total	**2,925.28**	**2,065.73**
Less: Finance costs	(862.15)	(645.18)
Add: Other unallocable income net of unallocable expenses	573.41	343.16
Profit before tax	**2,636.54**	**1,763.71**

(All amounts are in INR Lakhs, unless otherwise stated)

Assets and liabilities used in the Company's business are not identified to any of the reportable segments as these are used interchangeably between segments. The Company believes that it is currently not practicable to provide segmental disclosure relating to total assets and liabilities since a meaningful segregation of the available data could be onerous.

Information about major customers

There are 2 (31 March 2022: 2) customers contributing in excess of 10% of the total revenue of the Company amounting to Rs 10,089.88 lakhs for the year ended 31 March 2023 (31 March 2022: Rs 10,665.29 lakhs).

48. Financial instruments

The classification of each category of financial instruments and their carrying amounts are as below:

Particulars	As at 31 March 2023	As at 31 March 2022
Financial assets measured at amortized cost:		
Trade receivables ^	17,438.04	11,915.54
Cash and cash equivalents ^	11.81	23.64
Bank balances other than cash and cash equivalents ^	1,601.60	744.16
Loans ^	393.18	254.79
Other financial assets ^	2,671.11	788.39
Total financial assets	**22,115.74**	**13,726.52**
Financial liabilities measured at amortized cost:		
Borrowings ^	5,397.95	2,774.93
Lease liabilities ^	58.15	127.80
Trade payables ^	10,542.41	8,032.98
Other financial liabilities ^	419.53	543.60
Total financial liabilities	**16,418.04**	**11,479.31**

There are no financial instruments that have been classified as Fair Value through Profit and Loss (FVTPL) and Fair Value through Other Comprehensive Income (FVTOCI).

^ Fair values for these financial instruments have not been disclosed because their carrying amount are a reasonable approximation of their fair values.

Fair value hierarchy

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Financial instruments - risk management

The Company has exposure to the following risks arising from financial instruments: credit risk (refer note (b) below); liquidity risk (refer note (c) below) and market risk (refer note (d) below):

(a) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(All amounts are in INR Lakhs, unless otherwise stated)

The Company's board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(b) Credit risk

Credit risk is the risk that a counter party fails to discharge its obligation to the Company. The maximum credit risk comprises the carrying amounts of the financial assets. The Company's exposure to credit risk arises mainly from cash and cash equivalents, other bank balances, trade receivables, loans and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

(i) Credit risk management

Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Credit rating	Particulars	As at 31 March 2023	As at 31 March 2022
Low credit risk	Cash and cash equivalents, other bank balances, trade receivables, loans and other financial assets.	22,115.74	13,726.52

(ii) Credit risk exposure

Cash and cash equivalents and other bank balances

Credit risk related to cash and cash equivalents and other bank balances is managed by accepting highly rated banks and diversifying bank deposits and accounts in different banks. Management does not expect any losses from non-performance by these counterparties.

Loans and other financial assets measured at amortized cost

Loans and other financial assets measured at amortized cost includes lease deposits, staff advances, interest accrued on loans/deposits, loans and other receivables. Credit risk related to these is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensures that amounts are within defined limits. The expected credit loss on these financial instruments is expected to be insignificant.

Trade receivables

Credit risk arise from possibility that customer may default on its obligation to make timely payments, resulting into financial loss. The maximum exposure to the credit risk is primarily from trade receivables. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates.

Reconciliation of allowance for expected credit loss

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	**126.97**	**131.92**
Change in allowance for expected credit loss:		
Changes in allowance for expected credit loss due to bad debts	-	-
Allowance for expected credit loss written back (net)	(24.69)	(4.95)
	(24.69)	**(4.95)**
Closing balance	**102.28**	**126.97**

(All amounts are in INR Lakhs, unless otherwise stated)

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle or meet its obligations on time. The Company's primary sources of liquidity are cash generated from operations. The cash flows from operating activities are driven primarily by operating results and changes in the working capital requirements.

The Company believe that its liquidity position is adequate to fund the operating and investing needs and to provide with flexibility to respond to further changes in the business environment.

Maturities of financial liabilities

Particulars	Carrying amount	Total	On demand	0–12 months	1–5 years	> 5 years
As at 31 March 2023						
Borrowings	5,397.95	5,493.52	2,967.76	629.43	1,076.91	819.41
Lease liabilities	58.15	113.35	-	7.05	30.94	75.36
Trade payables	10,542.41	10,542.41	-	10,542.41	-	-
Other financial liabilities	419.53	419.53	20.91	290.62	-	108.00
Total	**16,418.04**	**16,568.80**	**2,988.67**	**11,469.51**	**1,107.85**	**1,002.77**

Particulars	Carrying amount	Total	On demand	0–12 months	1–5 years	> 5 years
As at 31 March 2022						
Borrowings	2,774.93	2,784.22	1,901.37	434.30	448.55	-
Lease liabilities	127.80	195.05	-	81.72	37.98	75.36
Trade payables	8,032.98	8,032.98	-	8,032.98	-	-
Other financial liabilities	543.60	543.60	20.92	522.68	-	-
Total	**11,479.31**	**11,555.85**	**1,922.29**	**9,071.68**	**486.53**	**75.36**

(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, which will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i) Foreign currency risk

The transactions of the Company are denominated in both Indian rupees and foreign currencies and accordingly, the Company is exposed to foreign exchange risk in relation to operating activities (when revenue or expense is denominated in a foreign currency) arising from foreign currency transactions.

Foreign currency risk exposure

Particulars of unhedged foreign currency exposure :

Particulars		As at 31 March 2023		As at 31 March 2022	
		Amount in Foreign Currency	Amount equivalent in INR Lakhs	Amount in Foreign Currency	Amount equivalent in INR Lakhs
Foreign currency receivables					
- representing advances	USD	12,519	10.37	21,78,566	1,630.43
	EURO	50,720	46.16	32,388	26.91
- representing trade receivables	USD	10,72,365	872.58	6,02,322	451.56
	EURO	10,200	8.98	46,415	38.57
	GBP*	1,800	1.80	-	-
Foreign currency payable					
representing trade payables	AED*	18,500	4.26	9,993	2.12
	USD	3,19,625	264.87	5,18,137	396.22
	EURO	12,68,924	1,154.85	7,78,670	669.11
	GBP*	11,194	11.58	7,767	7.84
- representing advances	USD	2,62,331	213.46	1,16,007	88.71
	EURO	2,27,887	200.70	-	-
	JPY*	3,78,000	2.30	-	-
Exchange Earners' Foreign Currency (EEFC) account	EURO	-	-	118	0.10
	USD	201	0.16	2,010	1.50
Foreign currency notes	EURO	403	0.37	75	0.06
	USD	41	0.03	322	0.24

* The Company does not expect any change in the exchange rate of AED / GBP / JPY and INR, resulting into any significant impact to the financial numbers.

(All amounts are in INR Lakhs, unless otherwise stated)

Sensitivity to risk

Particulars	Impact on profit - Increase / (decrease)	
	As at 31 March 2023	As at 31 March 2022
USD Sensitivity		
INR/USD - Increase by 5% (31 March 2022-5%)	20.24	79.87
INR/USD - Decrease by 5% (31March 2022 - 5%)	(20.24)	(79.87)
Euro Sensitivity		
INR/EURO - Increase by 5% (31 March 2022 - 5%)	(65.00)	(30.18)
INR/EURO - Decrease by 5% (31 March 2022 - 5%)	65.00	30.18

ii) 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. The Company's exposure to market risk for changes in interest rates primarily relates to borrowings.

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowings	5,268.62	2,573.79
Fixed rate borrowings	129.33	201.14
Total borrowings	**5,397.95**	**2,774.93**

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Particulars	Impact on profit -Increase / (decrease)	
	100 bp increase	100 bp decrease
Variable rate instrument as at 31 March 2023	(52.69)	52.69
Variable rate instrument as at 31 March 2022	(25.74)	25.74

49 Capital management

The funding requirements of the Company are met through a mixture of equity shares and borrowings. The Company's policy is to use current and non-current borrowings to meet anticipated funding requirements.

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximizing the return to stakeholders through optimisation of debt and equity balance.

The Adjusted net debt to total equity ratio at the end of the reporting period was as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Total borrowings	5,397.95	2,774.93
Lease liabilities	58.15	127.80
Less: Cash and cash equivalent and other bank balances	(1,613.41)	(767.80)
Adjusted net debt	**3,842.69**	**2,134.93**
Total equity	**18,007.83**	**14,416.07**
Adjusted net debt to total equity ratio	**0.21**	**0.15**

(All amounts are in INR Lakhs, unless otherwise stated)

50 Corporate social responsibility ("CSR")

The Company is covered by the provisions of section 135 of the Act. The details of gross amount required to be spent and amount actually spent by the Company is as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
i) Gross amount required to be spent by the Company during the year	21.92	14.76
ii) Amount spent on:		
a) Construction / acquisition of assets	-	-
b) On purpose other than (a) above	20.33*	15.85
iii) Shortfall at the end of the year #	1.59	-
iv) Nature of CSR activities	Eradicating hunger, poverty and malnutrition, promoting education, creating health infrastructure for Covid care, promoting of healthcare including preventive healthcare and disaster management Covid-19.	
v) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
vi) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

* Inclusive of amount of Rs 5.13 lakhs excess amount spent carried forward from previous years.

As per second proviso to section 135(5), the amount has been deposited in a fund specified in Schedule VII of The Companies Act, 2013 on 25 May 2023.

51 Contingent liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
a. Bank guarantees towards advances, liquidated damages and other contractual / legal obligations reduced by an amount of Rs 270.10 lakhs (31 March 2022: Rs 1,166.85 lakhs) towards the counter bank guarantee received from sub-contractors	9,301.96	6,467.19
b. Corporate and bank guarantees given on behalf of subsidiaries	1,516.82	953.31
c. Letter of credit opened in favour of suppliers	1,252.12	815.31
d. Bills discounted with bank	-	1,142.36
e. Disputed tax liabilities [net of amount deposited under protest Rs 1.90 lakhs (31 March 2022: Rs Nil)] {refer note (i)	144.33	92.48
f. Custom duty [net of amount deposited under protest Rs 65.00 lakhs (31 March 2022: Rs 65.00 lakhs)] {Refer note (ii)}	67.62	67.62

(All amounts are in INR Lakhs, unless otherwise stated)

Notes :

(i) The various disputed tax litigations are as under :

Particulars	Period to which it relates	As at 31 March 2023	As at 31 March 2022
a. Income Tax			
Disallowances / additions / demand raised by the income tax department pending before various authorities / appellate authorities [net of amount deposited under protest Rs 1.08 lakhs (31 March 2022: Rs Nil)]	AY 13-14 to AY 19-20 and AY 21-22 (31 March 2022: AY 13-14 to AY 16-17 and AY 18-19)	67.26	18.90
b. Sales Tax / VAT			
Demands raised by Sales tax / VAT department pending before various authorities / appellate authorities [net of amount deposited under protest Rs 0.82 lakhs (31 March 2022: Rs Nil)]	FY 09-10 and FY 16-17 (31 March 2022: FY 09-10 and FY 16-17)	77.07	71.12
c. Goods & Service Tax			
Demands raised by GST department pending before various authorities / appellate authorities	NA (31 March 2022 :FY 17-18)	-	2.46
		144.33	**92.48**

The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the standalone financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceedings will not have a material adverse effect on the Company's financial position and results of operations.

(ii) The Company has received a demand order dated 31.08.2020 from the office of The Commissioner of Customs raising a demand of Rs 120.62 lakhs on the Company u/s 28(8) of the Customs Act, 1962 read with section 5(1) of IGST Act, 2017 with regards to classification under incorrect CTH of copper busbar imported by the Company during the period from 13.08.2014 to 30.10.2018. The order also imposes a penalty of Rs 12 lakhs on the Company and interest u/s 28AA of the Customs Act, 1962. The amount disclosed above is exclusive of interest as the same is not currently quantifiable. The Company has filed an appeal against the said order on 23.10.2020. Based on the legal opinion obtained by the Company from an independent firm of advocates, the management believes that the ultimate outcome of the proceedings will not have an adverse effect on the Company's financial position.

(iii) The Company in the year 2017 was awarded a contract for setting up a 50 MW capacity solar power project (the "Project") in Tamilnadu. The Company subcontracted the EPC portion to a sub-contractor. The obligations of the sub-contractor for the project were not completely fulfilled by the sub-contractor leading to dispute and arbitration between the Company and the sub-contractor. Both the parties have filed Statement of Defence and Counterclaim against each other. The matter is pending before arbitrator for cross examination. Pending arbitration, the impact of the outcome of the proceedings on these financial statements of the Company is currently not ascertainable.

(iv) During the previous year, pursuant to inspection by GST Department, the Company paid Rs. 120.14 lakhs towards GST on bank guarantee invocation. The Company during the year filed application for refund of the said amount which was rejected by the Department vide its order dated 27 January 2023. The Company has filed an appeal against the rejection order with the appellate authorities on 06 March 2023. Pending final outcome, the Company continues to carry the amount paid as balance with government authorities. The management believes that the ultimate outcome of the proceedings will not have an adverse effect on the Company's financial position.

(v) The Supreme court of India had passed a judgement in the month of February 2019 relating to definition of wages under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Management is of the view that there are interpretative challenges on the application of the judgement. However, the Company is in the process of determining the possible impact and update its provision, if required. The Management does not expect any material impact of the same for financial year 2022-23 based on the present salary structure followed by the Company for its class of employees.

(All amounts are in INR Lakhs, unless otherwise stated)

52 Capital and other commitments:

Estimated amount of capital contracts remaining to be executed and not provided for (net of advances)

Particulars	As at 31 March 2023	As at 31 March 2022
Property, plant and equipment	276.29	343.62

53 Trade receivable ageing:

Ageing for trade receivables - outstanding as at 31 March 2023

Particulars	Non- Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed trade receivable - considered good	2,396.01	13,497.88	1,065.66	167.98	144.68	234.85	**17,507.06**
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	**-**
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	**-**
Disputed trade receivable - considered good	-	-	-	-	-	14.76	**14.76**
Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	**-**
Disputed trade receivable - credit impaired	-	-	-	-	-	-	**-**
Total	**2,396.01**	**13,497.88**	**1,065.66**	**167.98**	**144.68**	**249.61**	**17,521.82**
Less: Allowance for expected credit loss							**83.78**
Total trade receivables							**17,438.04**

Ageing for trade receivables - outstanding as at 31 March 2022

Particulars	Non- Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed trade receivable - considered good	7,077.11	3,528.74	567.19	244.63	137.47	373.49	**11,928.63**
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	**-**
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	**-**
Disputed trade receivable - considered good	-	-	-	-	-	95.38	95.38
Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	**-**
Disputed trade receivable - credit impaired	-	-	-	-	-	-	**-**
Total	**7,077.11**	**3,528.74**	**567.19**	**244.63**	**137.47**	**468.87**	**12,024.01**
Less: Allowance for expected credit loss							**108.47**
Total trade receivables							**11,915.54**

(All amounts are in INR Lakhs, unless otherwise stated)

54 Trade payable ageing:

Ageing for trade payables - outstanding as at 31 March 2023

Particulars	Non- Due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	-	95.19	-	-	-	**95.19**
Others	-	9,910.26	189.09	10.09	118.15	**10,227.59**
Disputed dues -MSME	-	-	-	-	-	**-**
Disputed dues - Others	-	-	-	-	103.87	**103.87**
Total	**-**	**10,005.45**	**189.09**	**10.09**	**222.02**	**10,426.65**
Add: Accrued expenses						**115.76**
Total trade payables						**10,542.41**

Ageing for trade payable - outstanding as at 31 March 2022

Particulars	Non- Due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	-	81.22	-	-	-	**81.22**
Others	-	7,549.57	26.97	20.10	173.27	**7,769.91**
Disputed dues -MSME	-	-	-	-	-	**-**
Disputed dues - Others	-	-	-	-	104.37	**104.37**
Total	**-**	**7,630.79**	**26.97**	**20.10**	**277.64**	**7,955.50**
Add: Accrued expenses						**77.48**
Total trade payables						**8,032.98**

55 Capital work in progress ageing

As at 31 March 2023	Amount in Capital work in progress for a period of				
Particulars	**Less than 1 Years**	**1-2 Years**	**2-3 Years**	**More than 3 Years**	**Total**
Project in progress	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

As at 31 March 2022	Amount in Capital work in progress for a period of				
Particulars	**Less than 1 Years**	**1-2 Years**	**2-3 Years**	**More than 3 Years**	**Total**
Project in progress	198.79	-	-	-	198.79
Total	**198.79**	**-**	**-**	**-**	**198.79**

Note:

There is no project under Capital work in progress ageing whose completion is overdue or has exceeded its cost compared to its original plan.

(All amounts are in INR Lakhs, unless otherwise stated)

56 Ratios

Sr. No.	Ratios	Numerator	Denominator	31 March 2023	31 March 2022	% Change from 31 March 2022 to 31 March 2023	Explanation for change in the ratio by more than 25% as compared to the ratio of preceding year
1	Current ratio (in times)	Current assets	Current liabilities	1.60	1.69	(5.35%)	NA
2	Debt - Equity ratio (in times)	Total debt	Shareholder's equity	0.30	0.19	55.73%	Primarily due to increase In borrowings.
3	Debt Service Coverage ratio (in times)	Earnings available for debt service (refer note (i) below)	Debt service (refer note (ii) below)	2.96	2.58	14.98%	NA
4	Return on Equity ("ROE") (in %)	Net profits after taxes - Preference dividend	Average shareholder's equity	12.03%	8.97%	3.06%	NA
5	Inventory Turnover Ratio (in times)	Cost of goods sold	Average inventory	5.84	4.27	36.85%	Primarily due to increase in purchases and decrease in inventory.
6	Trade receivables turnover ratio(in times)	Net sales	Average accounts receivable	2.66	2.62	1.56%	NA
7	Trade payables turnover ratio (in times)	Total purchases	Average accounts payable	3.05	2.87	6.44%	NA
8	Net capital turnover ratio (in times)	Net sales	Working capital	3.87	3.68	5.01%	NA
9	Net profit ratio (in %)	Net profit after tax	Net sales	5.00%	3.87%	1.13%	NA
10	Return on capital employed (in %)	Earning before interest and taxes	Capital employed (refer note (iii) below)	15.05%	14.05%	1.00%	NA
11	Return on investment (in %)	Profit before tax	Total assets	7.08%	6.31%	0.77%	NA

Note:

(i) Earnings available for debt service = Net profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Finance costs + Other adjustments like profit/loss on sale of property plant and equipment, bad debts/sundry balances written off/written back, allowance for expected credit loss written off/written back etc.

(ii) Debt service = Interest & lease payments + Principal repayments

(iii) Capital employed = Tangible net worth + Total debt + Deferred tax liability

(All amounts are in INR Lakhs, unless otherwise stated)

57 Subsequent events

There are no significant reportable subsequent events that have occurred after the reporting period till the date of this financial statements.

58 Additional regulatory information required by Schedule III

i) Details of benami property held:

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii) Wilful defaulter:

The Company is not declared wilful defaulter by any bank or financial institution or other lender during the year.

iii) Relationship with struck off companies:

The Company does not have any transactions with companies struck off.

iv) Borrowing secured against current assets:

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

v) Utilisation of borrowed funds and share premium:

A. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

vi) Compliance with number of layers of companies:

The Company has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

vi) Valuation of Property, Plant and Equipment (including Right-of-use assets) and Intangible assets:

The Company has not revalued its property, plant and equipment (including Right-of-use assets) or intangible assets or both during the current or previous year.

viii) Compliance with approved Scheme of Arrangement:

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

59 Details of crypto currency or virtual currency:

The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

60 Undisclosed income:

The Company does not have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

(All amounts are in INR Lakhs, unless otherwise stated)

61 In the opinion of the board of directors, assets, loans and advances have a value on realization in the ordinary course of the business at least equal to the amounts at which they are stated and provision for all known liabilities have been made.

62 The Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses as at 31 March 2023.

63 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

64 The Company during financial year 2017-18 paid to a supplier in China an advance of USD 8,00,000 carried at Rs 584.48 lakhs as at 31 March 2023 (31 March 2022: USD 8,00,000 carried at Rs 584.48 lakhs), for procurement of solar PV modules. The Company has initiated arbitration proceedings against the supplier by appointing an independent arbitration professional. Pending recovery of the advance paid or procurement of material against the said advance, the Company believes that this advance is recoverable and it continues to carry the said advance as unsecured and considered good under "Other current assets".

65 During the year, the Company became successful bidder in the e-auction dated 08 April 2022 conducted by a liquidator of the sole liquidation estate / premise of a corporate debtor under section 61 of the Insolvency and Bankruptcy Code, 2016. The Company purchased the said liquidation estate / premise vide sale certificate dated 11 May 2022. The consideration paid by the Company amounted to Rs 1,160.00 lakhs and also incurred other expenditures amounting to Rs 177.80 lakhs as on 31 March 2023. The process of e-auction was challenged by another unsuccessful bidder in National Company Law Tribunal (NCLT). The entire e-auction process was set aside by NCLT vide its order dated 02 March 2023 as not in compliance with law. The Company has filed an appeal against the order of NCLT in National Company Law Appellate Tribunal (NCLAT) on 28 March 2023. Pending final outcome, the Company continues to carry total payments made towards the purchase of said liquidation estate / premise as capital advance.

66 Advance towards purchase of equity instruments

(a) The Board of Directors of the Company on 22 October 2021 approved the investment towards acquisition of 75% paid-up equity share capital of Xanatos Marine Ltd ("Xanatos"), a Canadian Company. During the previous year, the Company has entered into Share Purchase Agreement ("SPA") dated 23 February 2022 with a non-resident individual (the "Vendor") to purchase 75 class “A” Common Shares ("Vendor's Shares") held by the Vendor in Xanatos and representing 75% of all the issued and outstanding shares of Xanatos for a total consideration of USD 1,550,000 (at a fair value of USD 20,667 per share). The total consideration was to be paid by the Company to the Vendor in tranches. During the previous year, the Company has paid USD 950,000 (equivalent Rs 731.66 lakhs). The transfer of shares to the Company was subject to fulfilment of conditions precedent as per SPA and payment of entire consideration. During the current year, the Company paid balance consideration of USD 600,000 and the acquisition was completed on 04 January 2023 on payment of final tranche by the Company towards the acquisition. Total purchase consideration paid by the Company in tranches towards the acquisition amounted to USD 15,50,000 (Equivalent Rs 1,216.86 lakhs).

(b) During the previous year, the Company has entered into Memorandum Of Understanding ("MOU") dated 07 May 2021 with an individual and his HUF to purchase their entire shareholding held in a Private Limited company engaged in marine electronic products. As per the terms of MOU, during the previous year, the Company subject to valuation of shares has agreed to lend Rs 100.00 lakhs as advance. Pending final due diligence and share valuation, the Company has recognised an interest income of Rs 12.07 lakhs on the said advance for the year ended 31 March 2023 (31 March 2022: Rs 9.73 lakhs).

(All amounts are in INR Lakhs, unless otherwise stated)

67 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023.

68 Previous year's figures

Previous year's figures have also been regrouped / recasted, wherever necessary, to conform to the current year's presentation.

For SAINI PATI SHAH & CO LLP
Chartered Accountants
Firm's Registration No: 137904W/W100622

For and on behalf of the Board of Directors
Marine Electricals (India) Limited

Som Nath Saini
Partner
Membership No: 093079

Venkatesh Uchil
Managing Director
DIN: 01282671

Vinay Uchil
Chairman and Executive Director
DIN: 01276871

U.M. Bhakthavalsalan
Chief Financial Officer

Mitali Ambre
Company Secretary and Compliance Officer

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

Consolidate Financial Statements and Independent Auditors’ Report

Independent Auditors' Report

To the Members of
Marine Electricals (India) Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Marine Electricals (India) Limited ("the Company" or "the Holding Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") as listed in Annexure A, which comprise the consolidated balance sheet as at 31 March 2023, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, its consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditors' Responsibility for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matter

Without qualifying our opinion on account of this matter, we draw attention to following matters included in Notes to the consolidated financial statements:

1. Note 68 included in notes to the consolidated financial statements regarding the fact that the Company during financial year 2017-18 paid to a supplier in China an advance of USD 8,00,000 carried at Rs 584.48 lakhs as at 31 March 2023, for procurement of solar PV modules. The Company has initiated arbitration proceedings against the supplier by appointing an independent arbitration professional. Pending recovery of the advance paid or procurement of material against the said advance, the Company believes that this advance is recoverable and it continues to carry the said advance as unsecured and considered good.

2. Note 70 of the consolidated financial statements regarding the fact that a subsidiary company, Eltech Engineers Madras Private Limited ("Eltech") had accumulated losses of Rs 271.94 lakhs as at 31 March 2023, the current liabilities were Rs 253.08 lakhs and current assets were Rs 6.87 lakhs. Further, it's net worth as at 31 March 2023 was negative Rs 241.94 lakhs. These conditions indicate the existence of material uncertainty about Eltech's ability to continue as a going concern. However, the financial statements of Eltech have been prepared on a going concern basis as the Company has committed to provide all financial and other support to enable Eltech to operate as a going concern.

3. Note 71 of the consolidated financial statements regarding the fact that in case of certain subsidiaries, accounting policy with regards to depreciation on property, plant and equipment and amortisation of intangible assets is different as compared to policy adopted by the Group. The consequential financial impact of adjustments on account of depreciation / amortisation that would be required to be made in the consolidated financial statements to ensure conformity with the Group's accounting policy for depreciation / amortisation is currently not ascertainable.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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 the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditor's response
1	**Revenue recognition accuracy, measurement, presentation and disclosure** Revenue is measured based on transaction price, which is the consideration. As disclosed in Note 3.9 to the consolidated financial statements, revenue from contract with customers is recognized when the Group satisfies the performance obligation by transfer of control of promised product or service to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. Control is defined as the ability to direct the use of and obtain substantially all of the economic benefits from an asset. At the inception of the contract, the Group identifies the goods or services promised in the contract and assess which of the promised goods or services shall be identified as separate performance obligations. Promised goods or services give rise to separate performance obligations if they are capable of being distinct.	Our audit procedures included following: • Considering the appropriateness of the management's accounting policies regarding revenue recognition; • Obtained an understanding of management's process over revenue recognition and evaluated design of internal controls around revenue recognition; • Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing;

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

The Company's 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 consolidated financial statements and our auditors' 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 consolidated 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.

The Annual Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

The accompanying consolidated financial statements have been approved by the Board of Directors of the Holding Company. The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Group, in accordance with Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors / Management of the entities included in the Group are responsible for assessing the ability of the Group 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 or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors / Management of the entities included in the Group are responsible for overseeing the financial reporting process of each entity.

Auditors’ Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ 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 consolidated financial statements.

As part of an audit in accordance with SAs specified under section143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for direction, supervision and performance of the audit of the financial information of such entities.

For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

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.

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

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 auditors' 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.

Other Matters

a. The consolidated financial statements include the audited financial statements of 3 subsidiaries whose financial statements reflect total assets of Rs. 5,152.18 lakhs as at 31 March 2023, total income of Rs. 1,299.48 lakhs and total net loss after tax of Rs. 244.43 lakhs, before giving effect to the consolidated adjustments, and net cash inflows of Rs. 28.79 lakhs for the year ended on that date, as considered in the consolidated financial statements, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, are not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

b. The consolidated financial statements include the unaudited financial statements of 2 subsidiaries whose financial statements reflect total assets of Rs. 5,766.45 lakhs as at 31 March 2023, total income of Rs. 2,327.02 lakhs and total net loss after tax of Rs. 28.27 lakhs, before giving effect to the consolidated adjustments, and net cash outflows of Rs. 28.16 lakhs for the year ended on that date, as considered in the consolidated financial statements. This unaudited financial statement has been furnished to us by the Management and Board of Directors and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management and Board of Directors, this financial statement is not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, are not modified in respect of the above matters with respect to our reliance on the financial statements certified by the Management and Board of Directors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure B", a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, based on our audit and on the consideration of reports of other auditors on separate financial statements and other financial information of such subsidiaries included in the Group, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

   (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit of the accompanying consolidated financial statements;

   (b) 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;

   (c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) in our opinion, the aforesaid consolidated financial statements comply with the Ind AS prescribed under Section 133 of the Act;

   (e) on the basis of the written representations received from the directors of the Company as on 31 March 2023 taken on record by the Board of Directors of the Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act;

   (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to the financial statements of the Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure C". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

   (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the subsidiaries included in the Group, as noted in the 'Other Matters' paragraph:

      (i) the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as at 31 March 2023 – Refer Note 50 to the consolidated financial statements;

ii. the Group did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses as at 31 March 2023;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiaries incorporated in India during the year ended 31 March 2023.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company or its subsidiaries incorporated in India to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or its subsidiaries incorporated in India ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company or its subsidiaries incorporated in India from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company or its subsidiaries incorporated in India shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company or any of the subsidiary companies incorporated in India with effect from 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.

3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India, the remuneration paid during the current year by the Company and its subsidiary company incorporated in India, where applicable, to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company and its subsidiary company incorporated in India is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For Saini Pati Shah & Co LLP
Chartered Accountants
Firm's Registration No: 137904W/W100622

Som Nath Saini
Partner
Membership No: 093079
UDIN:23093079BGXASL9839

Mumbai, May 29, 2023

Annexure A to the Independent Auditors' Report – 31 March 2023

Details of entities consolidated

Name	Country on incorporation	% of holding as at 31 March 2023
Subsidiaries / step down subsidiary		
Eltech Engineers Madras Private Limited	India	70.00%
Narhari Engineering Works (partnership firm)	India	99.00%
Evigo Charge Private Limited (formerly known as Evigo Charging Consultants Private Limited)	India	98.88%
MEL Power Systems FZC	United Arab Emirates	90.00%
STI SRL (subsidiary of MEL Power Systems FZC)	Italy	67.50%
Xanatos Marine Ltd	Canada	75.00%

For Saini Pati Shah & Co LLP
Chartered Accountants
Firm's Registration No: 137904W/W100622

Som Nath Saini
Partner
Membership No: 093079
UDIN: 23093079BGXASL9839

Mumbai, May 29, 2023

Annexure B to the Independent Auditors' Report – 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements section of our report of even date)

(xxi) According to the information and explanations given to us, the following companies incorporated in India and included in the consolidated financial statements, have certain remarks included in their reports under Companies (Auditor's Report) Order, 2020 ("CARO"), which have been reproduced as per the requirements of the Guidance Note on CARO:

Sr. No	Name of the entities	CIN	Relationship with the Holding Company	Date of the respective auditor's report	Clause number of the CARO report
1	Eltech Engineers Madras Private Limited	U29142TN1996PTC036500	Subsidiary	23 May 2023	(i)(a), (vii)(a), (vii)(b), (xix)

For Saini Pati Shah & Co LLP
Chartered Accountants
Firm's Registration No: 137904W/W100622

Som Nath Saini
Partner
Membership No: 093079
UDIN: 23093079BGXASL9839

Mumbai, May 29, 2023

Annexure C to the Independent Auditors' Report – 31 March 2023

Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph (2)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Marine Electricals (India) Limited ("the Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Company and its subsidiary companies incorporated in India (the Company and its subsidiary companies incorporated in India together referred to as the "Group"), as of that date.

In our opinion, the Company and such subsidiary company incorporated in India, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the auditors of the relevant subsidiary companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

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

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Other Matters

Our aforesaid report under clause (i) of sub-section 3 of Section 143 of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to subsidiary companies incorporated in India, is based solely on the report of the auditors of the subsidiary companies incorporated in India. Our opinion is not modified in respect of this matter.

For Saini Pati Shah & Co LLP
Chartered Accountants
Firm's Registration No: 137904W/W100622

Som Nath Saini
Partner
Membership No: 093079
UDIN: 23093079BGXASL9839

Mumbai, May 29, 2023

Consolidated Balance Sheet
as at 31 March 2023

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	3,460.79	3,385.67
Right-of-use assets	5	306.22	397.38
Capital work in progress	6	-	198.79
Investment property	7	503.81	511.96
Goodwill	8	782.36	-
Other intangible assets	9	1,544.41	608.20
Intangible assets under development	9(i)	-	4.50
Financial assets			
Investments	10	345.78	325.44
Other financial assets	11	2,112.04	378.01
Deferred tax assets (net)	12	46.58	102.16
Other non-current assets	13	1,544.38	997.04
Non-current tax assets (net)	14	31.51	41.66
Total non-current assets		**10,677.88**	**6,950.81**
Current assets			
Inventories	15	6,378.68	7,912.31
Financial assets			
Trade receivables	16	22,609.27	17,217.98
Cash and cash equivalents	17	291.71	144.26
Bank balances other than cash and cash equivalents	18	1,643.74	759.57
Loans	19	852.75	807.44
Other financial assets	20	630.63	438.78
Other current assets	21	3,489.49	3,110.89
Total current assets		**35,896.27**	**30,391.23**
Total assets		**46,574.15**	**37,342.04**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	22	2,526.31	2,453.31
Other equity	23	18,310.89	15,005.06
Equity attributable to owners of the Company		**20,837.20**	**17,458.37**
Non-controlling interest		642.55	700.58
Total equity		**21,479.75**	**18,158.95**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	24	2,221.95	439.26
Lease liabilities	25	57.27	59.57
Other financial liabilities	26	108.00	-
Provisions	27	322.17	286.77
Total non-current liabilities		**2,709.39**	**785.60**

Consolidated Balance Sheet
as at 31 March 2023

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
Current liabilities			
Financial liabilities			
Borrowings	28	4,289.41	3,094.54
Lease liabilities	25	0.88	68.23
Trade payables:	29		
- Micro and small enterprises		147.38	87.64
- Other than micro and small enterprises		14,400.31	12,231.55
Other financial liabilities	30	371.27	556.46
Other current liabilities	31	2,964.29	2,180.97
Provisions	32	17.95	26.45
Current tax liabilities (net)	33	193.52	151.65
Total current liabilities		**22,385.01**	**18,397.49**
Total liabilities		**25,094.40**	**19,183.09**
Total equity and liabilities		**46,574.15**	**37,342.04**

The accompanying notes forms an integral part of these consolidated financial statements

As per our report of even date attached

For SAINI PATI SHAH & CO LLP
Chartered Accountants
Firm's Registration No: 137904W/W100622

For and on behalf of the Board of Directors
Marine Electricals (India) Limited

Som Nath Saini
Partner
Membership No: 093079

Venkatesh Uchil
Managing Director
DIN: 01282671

Vinay Uchil
Chairman and Executive Director
DIN: 01276871

U.M. Bhakthavalsalan
Chief Financial Officer

Mitali Ambre
Company Secretary and Compliance Officer

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

Consolidated Statement Of Profit And Loss
as at 31 March 2023

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	for the year ended 31 March 2023	for the year ended 31 March 2022
Income			
Revenue from operations	34	44,285.44	37,632.86
Other income	35	452.57	485.34
Total income		**44,738.01**	**38,118.20**
Expenses			
Cost of materials consumed	36	31,363.24	28,119.55
Changes in inventories of finished goods and work in progress	37	1,604.32	210.74
Employee benefits expense	38	3,449.89	3,082.72
Finance costs	39	994.13	728.14
Depreciation and amortization expense	40	807.99	934.63
Other expenses	41	4,011.15	3,095.95
Total expenses		**42,230.72**	**36,171.73**
Profit before share in profit / (loss) of associates & joint ventures and tax		**2,507.29**	**1,946.47**
Share in profit / (loss) of associates and joint ventures (net of tax, if any)		-	(2.42)
Profit before tax		**2,507.29**	**1,944.05**
Income tax expense / (credit):	42		
Current tax		799.86	631.89
Adjustment in respect of tax for earlier years		(23.67)	57.45
Deferred tax charge / (credit)		51.02	(73.11)
		827.21	**616.23**
Profit after tax		**1,680.08**	**1,327.82**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plans		18.14	0.47
Income tax relating to items that will not be reclassified to profit or loss		(4.56)	(0.12)
Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign currency operations		140.45	(79.10)
Other comprehensive income / (loss) for the year		**154.03**	**(78.75)**
Total comprehensive income for the year		**1,834.11**	**1,249.07**
Profit attributable to:			
Non-controlling interest		(19.46)	30.10
Shareholders of the Company		1,669.54	1,297.72
Other comprehensive income attributable to:			
Non-controlling interest		(34.51)	0.65
Shareholders of the Company		188.54	(79.40)

Consolidated Statement Of Profit And Loss
as at 31 March 2023

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	for the year ended 31 March 2023	for the year ended 31 March 2022
Total comprehensive income attributable to:			
Non-controlling interest		(53.97)	30.75
Shareholders of the Company		1,888.08	1,218.32
Earnings per share ("EPS")	43		
- Basic earning per equity share of face value of Rs 2 each		1.38	1.06
- Diluted earning per equity share of face value of Rs 2 each		1.36	1.06

The accompanying notes forms an integral part of these consolidated financial statements

As per our report of even date attached

For SAINI PATI SHAH & CO LLP
Chartered Accountants
Firm's Registration No: 137904W/W100622

For and on behalf of the Board of Directors
Marine Electricals (India) Limited

Som Nath Saini
Partner
Membership No: 093079

Venkatesh Uchil
Managing Director
DIN: 01282671

Vinay Uchil
Chairman and Executive Director
DIN: 01276871

U.M. Bhakthavalsalan
Chief Financial Officer

Mitali Ambre
Company Secretary and Compliance Officer

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

Consolidated Statement of Changes in Equity

as at 31 March 2023

(All amounts are in INR Lakhs, unless otherwise stated)

A. Equity share capital

Current reporting year

Balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of current reporting year
2,453.31	73.00	2,526.31

Previous reporting year

Balance at the beginning of the Previous reporting year	Changes in equity share capital during the previous year	Balance at the end of previous reporting year
2,453.31	-	2,453.31

B. Other equity

Current reporting year

Particulars	Reserves and surplus			Other comprehensive income	Other component of equity	Capital reserve	Money received against share warrants	Total
	Securities premium	General reserve	Retained earnings					
Balance at the beginning of current reporting year	3,983.54	708.10	9,459.58	580.09	196.87	76.88	-	**15,005.06**
Profit for the current reporting year	-	-	1,699.54	-	-	-	-	**1,699.54**
Other comprehensive income for the current year	-	-	13.58	174.96	-	-	-	**188.54**
Fair value of financial guarantee transferred to other component of equity	-	-	-	-	95.59	-	-	**95.59**
Movement in minority interest during the year on account of change in shareholding	-	-	(68.42)	-	-	-	-	**(68.42)**
Transaction with non-controlling interest	-	-	(68.39)	-	-	-	-	**(68.39)**
Subscription money received on allotment of share warrants	-	-	-	-	-	-	731.25	**731.25**
Securities premium received / Utilisation of subscription money on conversion of share warrants into equity shares	994.63	-	-	-	-	-	(266.91)	**727.72**
Balance at the end of current reporting year	**4,978.17**	**708.10**	**11,035.89**	**755.05**	**292.46**	**76.88**	**464.34**	**18,310.89**

Previous reporting year

Particulars	Reserves and surplus			Other comprehensive income	Other component of equity	Capital reserve	Money received against share warrants	Total
	Securities premium	General reserve	Retained earnings					
Balance at the beginning of previous reporting year	3,983.54	708.10	8,406.84	500.34	170.05	76.88	-	**13,845.75**
Profit for the previous reporting year	-	-	1,297.72	-	-	-	-	**1,297.72**
Other comprehensive income for the previous year	-	-	0.35	79.75	-	-	-	**80.10**
Fair value of financial guarantee transferred to other component of equity	-	-	-	-	26.82	-	-	**26.82**
Dividends	-	-	(245.33)	-	-	-	-	**(245.33)**
Balance at the end of previous reporting year	**3,983.54**	**708.10**	**9,459.58**	**580.09**	**196.87**	**76.88**	**-**	**15,005.06**

Consolidated Statement of Changes in Equity
as at 31 March 2023

(All amounts are in INR Lakhs, unless otherwise stated)

The accompanying notes form an integral part of these standalone financial statements
As per our report of even date attached

For SAINI PATI SHAH & CO LLP
Chartered Accountants
Firm's Registration No: 137904W/W100622

For and on behalf of the Board of Directors
Marine Electricals (India) Limited

Som Nath Saini
Partner
Membership No: 093079

Venkatesh Uchil
Managing Director
DIN: 01282671

Vinay Uchil
Chairman and Executive Director
DIN: 01276871

U.M. Bhakthavalsalan
Chief Financial Officer

Mitali Ambre
Company Secretary and Compliance Officer

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

Consolidated Cash Flow Statement

as at 31 March 2023

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	for the year ended 31 March 2023	for the year ended 31 March 2022
Cash flows from operating activities		
Profit before tax for the year	2,507.29	1,944.05
Adjustments:		
Depreciation and amortization	807.99	934.63
Sundry balances written off	11.50	8.71
Bad debts written off	184.18	111.89
Finance costs	994.13	728.14
Liabilities / sundry balances written back	(37.93)	(91.48)
Allowance for expected credit loss (net)	(23.35)	(11.62)
(profit) / Loss on sale of property, plant and equipment (net)	(41.43)	85.62
Interest income on financial instruments at amortised cost	(4.73)	(30.80)
Interest income on inter corporate loan	(18.71)	(14.64)
Interest income on advance towards purchase of equity instruments	(12.07)	(9.73)
Foreign currency translation movement	130.81	76.77
Operating cash flows before working capital changes	**4,497.68**	**3,731.54**
Working capital movements:		
(Increase) / Decrease in inventories	1,549.52	7.86
(Increase) / Decrease in trade receivables	(5,446.76)	11.94
(Increase) / Decrease in bank balances other than cash and cash equivalents	(844.17)	179.27
(Increase) / Decrease in other financial assets	(1,860.17)	(36.48)
(Increase) / Decrease in other assets	(294.70)	1,522.63
Increase / (Decrease) in trade payables	2,218.32	(288.70)
Increase / (Decrease) in other financial liabilities	1.64	15.49
Increase / (Decrease) in other liabilities	645.32	110.01
Increase / (Decrease) in provisions	45.04	57.42
Cash generated from operations	**511.72**	**5,310.98**
Income taxes paid, net	(721.06)	(647.20)
Net cash flows generated from / (used in) operating activities (A)	**(209.34)**	**4,663.78**
Cash flows from investing activities		
Purchase of property plant and equipment and intangible assets (including movement in capital advances, creditors for property, plant and equipment, capital work in progress and intangible assets under development)	(2,296.68)	(1,189.57)
Proceeds from sale of property, plant and equipment	63.90	149.55
Placement of fixed deposits	(40.00)	-
Loans (given) / repaid (net)	(28.47)	42.72
Payment of advance towards purchase of equity instruments	-	(831.67)
Acquisition of equity interest in subsidiary	(485.20)	-
Cash acquired on business combination	5.70	-
Transaction with non-controlling interests	10.06	-
Net cash flows generated from / (used in) investing activities (B)	**(2,770.69)**	**(1,828.97)**
Cash flows from financing activities		
Proceeds from allotment of share warrants	464.34	-
Proceeds from allotment on equity shares (including securities premium)	1,067.63	-
Proceeds from / (repayment of) non current borrowings (net)	1,544.67	(540.98)
Proceeds / (repayment of) current borrowings (net)	1,009.13	(1,375.48)
Finance costs paid	(888.64)	(703.76)
Dividend paid	-	(244.41)
Repayment of lease liabilities (net of finance cost)	(69.65)	(252.30)
Net cash flows generated from / (used in) financing activities (C)	**3,127.48**	**(3,116.93)**

Consolidated Cash Flow Statement
as at 31 March 2023

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	for the year ended 31 March 2023	for the year ended 31 March 2022
Net increase / (decrease) in cash and cash equivalents (A+B+C)	147.45	(282.12)
Cash and cash equivalents at the beginning of the year	144.26	426.38
Cash and cash equivalents at the end of the year	**291.71**	**144.26**

Notes to cash flow statement:

	As at 31 March 2023	As at 31 March 2022
1. Component of cash and cash equivalents:		
Cash on hand	18.75	32.00
Balances with banks		
- in current accounts	110.39	110.54
- in Escrow accounts	0.12	0.12
- in EEFC accounts	0.16	1.60
- in overdraft accounts	2.29	-
- in fixed deposits with original maturity of 3 months or less	160.00	-
Total cash and cash equivalents	**291.71**	**144.26**

2 The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7 Statement of Cash Flows u/s 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015, as amended, and the relevant provisions of the Act.

The accompanying notes forms an integral part of these consolidated financial statements

As per our report of even date attached

For SAINI PATI SHAH & CO LLP
Chartered Accountants
Firm's Registration No: 137904W/W100622

For and on behalf of the Board of Directors
Marine Electricals (India) Limited

Som Nath Saini
Partner
Membership No: 093079

Venkatesh Uchil
Managing Director
DIN: 01282671

Vinay Uchil
Chairman and Executive Director
DIN: 01276871

U.M. Bhakthavalsalan
Chief Financial Officer

Mitali Ambre
Company Secretary and Compliance Officer

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

(All amounts are in INR Lakhs, unless otherwise stated)

1. Group overview

Marine Electricals (India) Limited ("the Company" or "the Holding Company") was incorporated as a private limited company with the name "Marine Electricals (India) Private Limited" on 4 December 2007 under the Companies Act, 1956 by converting a partnership firm with the name "Marine Electricals". On 1 August 2018, the Company was converted into a public limited company and the name got changed to "Marine Electricals (India) Limited". The Company got listed on Small and Medium Enterprises ("SME") platform named EMERGE of National Stock Exchange of India ("NSE") on 11th October 2018 and got migrated to NSE main board with effect from 02 December 2020. The Holding Company along with its subsidiaries collectively referred to as "the Group" in following notes.

The Group is engaged in manufacturing and sale of all types of marine and industrial electrical & electronic components like switch-gears, control-gears etc. and is also engaged in renewable energy sector specifically solar. It also provides services like designing, fabricating etc. for all types of electrical & electronic installations in India and abroad and undertake annual maintenance contracts.

Following are the details of the entities consolidated in these financial statements:

Name of the entities	Country of incorporation	% equity interest	
		31 March 2023	31 March 2022
Subsidiaries / step down subsidiary			
Eltech Engineers Madras Private Limited	India	70.00%	70.00%
Narhari Engineering Works (partnership firm)	India	99.00%	80.00%
Evigo Charge Private Limited (formerly Evigo Charging Consultants Private Limited)	India	98.88%	74.00%
MEL Power Systems FZC	United Arab Emirates	90.00%	90.00%
STI SRL (subsidiary of MEL Power Systems FZC)	Italy	67.50%	67.50%
Xanatos Marine Ltd	Canada	75.00%	-

2 Statement of compliance and basis of preparation and presentation

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules as amended from time to time and notified under section 133 of the Companies Act, 2013 ("the Act") and in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act.

These consolidated financial statements for the year ended 31 March 2023 were authorised and approved for issue by the Company's Board of Directors at its meeting held on 29 May 2023.

2.2 Basis of preparation and measurement

These financial statements have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period (refer accounting policy regarding financial instruments).

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a

(All amounts are in INR Lakhs, unless otherwise stated)

liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

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

Level 1- Quoted (Unadjusted) marked prices in the active markets for identical assets or liabilities.

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

2.3 Basis of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI') of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

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 at their carrying amounts at the date when control is lost.

- 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.

- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners.

- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities.

(All amounts are in INR Lakhs, unless otherwise stated)

2.4 Current & non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2.5 Critical accounting judgements and use of estimates

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. The actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision or future periods if the revision affects both current and future periods.

Accounting estimates and judgements are used in various line items in the financial statements for e.g.:

Property, plant and equipment

The management engages internal technical team to assess the remaining useful lives and residual value of property, plant and equipment annually in order to determine the amount of depreciation to be recorded during any reporting period. The management believes that the assigned useful lives and residual value are reasonable.

Income taxes

The management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Group reviews at each balance sheet date the carrying amount of deferred tax assets / liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

Contingencies

The management's judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

Expected credit losses on financial assets:

The impairment provisions of financial assets and contract assets are based on assumptions about risk of default and expected timing of collection. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the budget for future years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of

(All amounts are in INR Lakhs, unless otherwise stated)

the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Effective Interest Rate (EIR) Method:

The Group recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to other income/expense that are integral parts of the instrument.

Fair value measurements and valuation processes:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation technique that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Business combination

In accounting for business combinations, judgment is required in identifying the acquirer and acquiree for the purpose of business combination and whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets (including useful life estimates) and liability acquired, and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

2.6 Recent pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the consolidated financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statement.

(All amounts are in INR Lakhs, unless otherwise stated)

3. Significant Accounting Policies

3.1 Functional and presentation currency

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

3.2 Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss on the date of disposal or retirement.

Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Group and cost of the item can be measured reliably. All other repair and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Except for subsidiaries incorporated outside India i.e. MEL Power Systems FZC & STI SRL and Narhari Engineering Works, India, a partnership firm (subsidiary), depreciation on property, plant and equipment is provided on written down value method over the useful lives of assets as prescribed under Schedule II to the Companies Act, 2013. Based on past experience and internal technical evaluation, the management believes that these useful lives represent the appropriate period of usage and therefore, considered to be appropriate for charging depreciation. In case of Narhari Engineering Works, depreciation on property, plant and equipment is provided as per written down value method as per the rates prescribed under Income-tax Act, 1961. In case of MEL Power Systems FZC & STI SRL, depreciation on property, plant and equipment is provided on a straight-line basis over the expected useful life and in case of STI S.R.L. for the first year of entry into operations of the assets, they are reduced by 50% as representative of the effective participation in the production process which can be considered as average at half year.

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

The estimated useful lives of the property, plant and equipment considered by the Company are as follows:

Tangible Assets	Estimated uesful life (in Years)
Buildings	30
Plant and machinery	15
Plant and machinery – Drilling Rig	30
Computers	3
Furniture and fixtures	10
Vehicles	8
Office equipment	3-5

Leasehold improvements are amortised over the lower of estimated useful life as per Schedule II or intended lease period.

Assets residual values, depreciation method and useful lives are reviewed at the end of financial year considering the physical condition of the assets or whenever there are indicators for review and adjusts residual life prospectively.

Derecognition

An item of property, plant and equipment and any significant component initially recognised is derecognised 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 / significant component (calculated as the difference between the net disposal proceeds and the carrying amount of the asset / significant component) is recognised in statement of profit and loss, when the asset is derecognised.

(All amounts are in INR Lakhs, unless otherwise stated)

3.3 Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Group and cost of the item can be measured reliably. All other repair and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Depreciation on investment property is provided on the written down value method over their estimated useful lives. However, where the management's estimate of the remaining useful life of the assets on a review subsequent to the time of acquisition is different, then depreciation is provided over the remaining useful life based on the revised useful life.

3.4 Intangible assets

Identifiable intangible assets are recognised when the Group controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured.

At initial recognition, the separately acquired intangible assets are recognised at cost. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Except for subsidiaries incorporated outside India i.e. MEL Power Systems FZC & STI SRL and Narhari Engineering Works, India, a partnership firm (subsidiary), intangible assets, other than License, Intellectual Property Rights, Customer Acquisition, Mobile Application, Non-Compete and Technical Know-how, are amortised on a written down value method in accordance with the useful life prescribed in Schedule II to the Act. In case of Narhari Engineering Works, amortisation on intangible assets is provided as per written down value method as per the rates prescribed under Income-tax Act, 1961. In case of MEL Power Systems FZC & STI SRL, intangible assets are amortised on a straight-line basis over their estimated useful life.

The estimated useful lives of the intangible assets considered by the Group are as follows:

Intangible Assets	Estimated uesful life (in Years)
Software	3

License, Intellectual Property Rights, Customer Acquisition, Mobile Application and Technical Know-how are amortised on a straight-line basis over a period of five years. Non-Compete is amortised on a straight-line basis over a period of ten years.

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

3.5 Assets held for sale

Non-current assets, or disposal groups are classified as held for sale if its carrying amount will be recovered principally through sale rather than through continuing use, it is available for immediate sale and sale is highly probable within one year.

On initial classification as held for sale, assets and disposal groups are measured at the lower of previous carrying amount and fair value less costs to sell with any adjustments taken to the statement of profit and loss. The same applies to gains and losses on subsequent remeasurement although gains are not recognised in excess of any cumulative impairment loss. Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on a pro-rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets and investment property, which continue to be measured in accordance with the accounting policies. Intangible assets and property, plant and equipment once classified as held for sale or distribution are not amortised or depreciated.

3.6 Foreign currency translation

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Group at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise except those arising from investments in non-integral operations.

3.7 Taxes

Tax expense comprises of current and deferred tax.

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(All amounts are in INR Lakhs, unless otherwise stated)

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of profit and loss as current tax. Minimum Alternative Tax ("MAT") credit is recognised as deferred tax asset based on evidence that the Group will pay normal income tax during the specified period. Significant judgments are involved in determining the future taxable income and future book profits, including amount of MAT credit available for set-off.

3.8 Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods, including freight, octroi and other levies.

Cost is determined under the weighted average cost method and includes all costs incurred in bringing the inventories to their present location and condition.

Cost of finished goods and work in progress further includes direct labour and an appropriate share of production overheads as applicable.

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

Due allowances are made for defective, obsolete and slow-moving inventory, wherever necessary, based on management estimates and past experiences of the Group.

3.9 Revenue recognition

Revenue from contract with customers is recognized when the Group satisfies the performance obligation by transfer of control of promised product or service to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. Control is defined as the ability to direct the use of and obtain substantially all of the economic benefits from an asset. Revenue excludes taxes collected from customers.

Revenue is measured based on the transaction price, which is the expected consideration to be received, to the extent that it is highly probable that there will not be a significant reversal of revenue in future periods. If the consideration in a contract includes a variable amount, at the inception of the contract, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer.

At the inception of the contract, the Group identifies the goods or services promised in the contract and assess which of the promised goods or services shall be identified as separate performance obligations. Promised goods or services give rise to separate performance obligations if they are capable of being distinct.

Revenue from the delivery of products is recognised at the point in time when control over the products is passed to the customers, which is determined based on the individual terms agreed in the customer contract. Revenue from support services is recognized on rendering of services in accordance with the contractual agreement with the customers.

(All amounts are in INR Lakhs, unless otherwise stated)

Contract balances:

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Contract asset, which is presented as unbilled revenue, is classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract. Contract liabilities include, and are presented as 'Revenue received in advance' and 'Advances from customers'.

3.10 Other income

Interest income

Interest income is recognized as it accrues in the statement of profit and loss using effective interest rate method.

Rental Income

Rental Income from property leased under operating lease is recognized in the income statement on a straight line basis over the term of the lease unless increase in rentals are in line with expected general inflation. Contingent rents are recognized as revenue in the period in which they are earned.

Duty drawback

Duty drawback is recognized basis entitlement upon exports made. Provision is made for duty drawback entitlement pending to be received towards end of the year on exports made during the year.

Net gain loss on fair value change

The Group recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL on net basis. However, net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the statement of profit and loss.

3.11 Financial instruments:

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

i) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified as:

- Debt instruments assets at amortised cost
- Equity instrument measured at fair value through profit or loss (FVTPL)

(All amounts are in INR Lakhs, unless otherwise stated)

When assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit and loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

Debt instruments at amortised cost

A debt instrument is measured at amortised cost (net of any write down for impairment) if both the following conditions are met:

- the asset is held to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes), and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit and loss. The losses arising from impairment are recognised statement of profit and loss. This category generally applies to trade and other receivables.

Financial assets at fair value through OCI (FVTOCI)

A financial asset that meets the following two conditions is measured at fair value through OCI unless the asset is designated at fair value through profit and loss under fair value option.

- The financial asset is held both to collect contractual cash flows and to sell.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial assets at fair value through profit and loss (FVTPL)

FVTPL is a residual category for Group's investment instruments. Any instruments which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

All investments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss

In addition, the Group may elect to designate an instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group has not made any such election. This classification is made on initial recognition and is irrevocable.

(All amounts are in INR Lakhs, unless otherwise stated)

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment, However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investment in subsidiary are measured at cost.

Derecognition

When the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; it evaluates if and to what extent it has retained the risks and rewards of ownership.

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- Based on above evaluation, either
  - (a) the Group has transferred substantially all the risks and rewards of the asset, or
  - (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a bases that reflect the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 ('Financial instruments') requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

(All amounts are in INR Lakhs, unless otherwise stated)

The Group's financial liabilities include trade payables and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

iv. Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3.12 Impairment of non-financial assets

Non-financial assets including Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the consolidated statement of profit and loss.

(All amounts are in INR Lakhs, unless otherwise stated)

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.13 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash in hand and short-term investments with an 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 Group's cash management.

3.14 Provisions, contingent liabilities and contingent assets

Provision

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provision are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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

Provision for warranty

Product warranty costs are accrued in the year of sale of products, based on past experiences. The Group periodically reviews the adequacy of product warranties and adjust warranty percentage and warranty provisions for actual experience, if necessary.

Contingent liabilities and contingent assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements

Contingent assets are not recognized in the financial statements. However, it is disclosed only when an inflow of economic benefits is probable.

3.15 Government grants

Grants from the government are recognised where there is reasonable assurance that the grant will be received and the Group will comply with required conditions. Export incentive under duty drawback are accrued when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

(All amounts are in INR Lakhs, unless otherwise stated)

3.16 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

3.17 Employee benefits

Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include salary, wages, short-term compensated absences, performance incentives, etc. The undiscounted amount of short -term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period of rendering of service by the employee.

Long-term employee benefits:

(i) Defined contribution plans:

The Group's contribution to provident fund, superannuation fund, employee state insurance scheme and labour welfare fund are considered as defined contribution plans. The Group's contribution paid / payable under the plans are recognised as an expense in the consolidated statement of profit and loss during the period in which the employee renders the related service.

(ii) Defined benefits plan:

Post-employment benefit:

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The present value of the obligation under such defined benefit plan is determined based on independent actuarial valuation at the balance sheet date using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the consolidated statement of profit and loss.

Other long-term employment benefit:

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive encashment on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

(All amounts are in INR Lakhs, unless otherwise stated)

3.18 Leases

At inception of contract, the Group assesses whether the Contract is, or contains, a lease. 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. At inception or on reassessment of a contract that contains a lease component, the Group allocates consideration in the contract to each lease component on the basis of their relative consolidated price.

As a lessee:

Leases are recognised as a Right-of-Use (RoU) asset at cost with a corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets in accordance with Ind AS 116 'Leases'.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs etc. Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

For lease liabilities at the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

For short-term and low value leases, the Group recognizes the lease payments as an operating expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

As a lessor:

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income on such operating leases are recognised in the statement of profit and loss on an accrual basis in accordance with the lease agreement. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.19 Business combinations/Goodwill on consolidation

The Group accounts for business combinations under acquisition method of accounting. Acquisition-related costs are recognised in the Statement of Profit and Loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Goodwill arising on consolidation of acquisitions represents the excess of (a) consideration paid for acquiring control and (b) acquisition date fair value of previously held ownership interest, if any, in a subsidiary over the Group's share in the fair value of the net assets (including identifiable intangibles) of the subsidiary as on the date of acquisition of control. Where the fair value of the identifiable assets and liabilities exceed the cost of acquisition, the excess is recognised as Capital Reserve.

Goodwill on consolidation is allocated to cash generating units or group of cash generating units that are expected to benefit from the acquisition.

Goodwill arising on consolidation is tested for impairment annually and not amortised. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

Business combinations arising from transfers of interests in entities that are under common control are accounted using pooling of interest method. The difference between consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity.

(All amounts are in INR Lakhs, unless otherwise stated)

3.20 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method.

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

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

3.21 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

3.22 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

3.23 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

3.24 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (“CODM”) of the Group.

4 Property, plant and equipment

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Freehold land	Buildings	Plant and machinery (including drilling rig)	Computers	Furniture and fixtures	Leasehold improvements	Vehicles	Office equipments	Total
Gross block:									
As at 31 March 2021	**152.88**	**1,925.51**	**1,499.48**	**35.20**	**72.99**	**17.48**	**185.02**	**65.53**	**3,954.09**
Additions	-	351.33	334.96	23.62	47.11	-	33.28	112.42	902.72
Disposals	-	-	(359.19)	-	-	-	-	(3.41)	(362.60)
Foreign currency translations	(0.31)	(3.24)	0.01	0.02	(0.09)	-	(1.57)	(0.70)	(5.88)
As at 31 March 2022	**152.57**	**2,273.60**	**1,475.26**	**58.84**	**120.01**	**17.48**	**216.73**	**173.84**	**4,488.33**
Additions	23.32	168.49	306.26	21.56	44.75	-	23.59	15.19	603.16
Acquisition on account of business combination	-	-	-	6.82	5.15	-	-	1.49	13.46
Disposals	-	-	(110.40)	(3.34)	-	-	-	(0.09)	(113.83)
Foreign currency translations	0.75	10.53	0.03	0.02	0.48	-	4.13	1.91	17.85
As at 31 March 2023	**176.64**	**2,452.62**	**1,671.15**	**83.90**	**170.39**	**17.48**	**244.45**	**192.34**	**5,008.97**
Accumulated depreciation:									
As at 31 March 2021	**-**	**354.55**	**396.39**	**19.53**	**31.42**	**7.87**	**53.58**	**17.80**	**881.14**
Charge for the year	-	172.36	195.36	16.46	14.24	2.48	39.40	30.76	471.06
Disposals	-	-	(244.95)	-	-	-	-	(2.90)	(247.85)
Foreign currency translations	-	(0.74)	0.01	0.02	(0.07)	-	(0.57)	(0.34)	(1.69)
As at 31 March 2022	**-**	**526.17**	**346.81**	**36.01**	**45.59**	**10.35**	**92.41**	**45.32**	**1,102.66**
Charge for the year	-	193.09	210.32	17.94	22.28	1.84	36.41	36.95	518.83
Acquisition on account of business combination	-	-	-	5.02	4.66	-	-	1.34	11.02
Disposals	-	-	(91.10)	(0.19)	-	-	-	(0.07)	(91.36)
Foreign currency translations	-	3.14	0.03	0.02	0.45	-	2.27	1.12	7.03
As at 31 March 2023	**-**	**722.40**	**466.06**	**58.80**	**72.98**	**12.19**	**131.09**	**84.66**	**1,548.18**
Net block:									
As at 31 March 2022	**152.57**	**1,747.43**	**1,128.45**	**22.83**	**74.42**	**7.13**	**124.32**	**128.52**	**3,385.67**
As at 31 March 2023	**176.64**	**1,730.22**	**1,205.09**	**25.10**	**97.41**	**5.29**	**113.36**	**107.68**	**3,460.79**

Notes:

1. Refer note 24 and 28 for information on property, plant and equipment pledged as security by the Group.
2. Refer note 51 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(All amounts are in INR Lakhs, unless otherwise stated)

5 Right-of-use assets

Particulars	Premises	Equipment	Land	Total
Gross block:				
As at 31 March 2021	**736.79**	**148.34**	**395.96**	**1,281.08**
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31 March 2022	**736.79**	**148.34**	**395.96**	**1,281.08**
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31 March 2023	**736.79**	**148.34**	**395.96**	**1,281.08**
Accumulated depreciation :				
As at 31 March 2021	**485.11**	**74.62**	**44.90**	**604.62**
Charge for the year	219.41	37.26	22.42	279.09
Disposals	-	-	-	-
As at 31 March 2022	**704.51**	**111.88**	**67.32**	**883.71**
Charge for the year	32.28	36.46	22.42	91.16
Disposals	-	-	-	-
As at 31 March 2023	**736.79**	**148.34**	**89.74**	**974.86**
Net block:				
As at 31 March 2022	**32.28**	**36.46**	**328.64**	**397.38**
As at 31 March 2023	**-**	**-**	**306.22**	**306.22**

6. Capital work in progress

Particulars	Amount
As at 31 March 2021	**-**
Addition during the year	350.23
Capitalised during the year	(151.44)
As at 31 March 2022	**198.79**
Addition during the year	-
Capitalised during the year	(198.79)
As at 31 March 2023	**-**

For Capital work in progress ageing, refer note 56.

(All amounts are in INR Lakhs, unless otherwise stated)

7 Investment property

Particulars	Buildings
Gross block:	
As at 31 March 2021	**715.99**
Additions	-
Disposals	-
As at 31 March 2022	**715.99**
Additions	47.57
Disposals	-
As at 31 March 2023	**763.56**
Accumulated depreciation :	
As at 31 March 2021	**143.47**
Charge for the year	60.56
Disposals	-
As at 31 March 2022	**204.03**
Charge for the year	55.72
Disposals	-
As at 31 March 2023	**259.75**
Net block:	
As at 31 March 2022	**511.96**
As at 31 March 2023	**503.81**

Notes

(i) Investment property comprise of a commercial building that is leased to third party. Subsequent renewal of license agreement are negotiated with the tenant and average renewal period ranges between three and five years.

(ii) Refer note 24 and 28 for information on investment property pledged as security by the Group.

(iii) (a) As at 31 March 2023, the fair value of the property is Rs. 2,917.04 lakhs (31 March 2022: Rs. 2,917.04 lakhs). This valuation is based on valuation performed by an accredited independent valuer in the previous year. The management believes that there is no significant fluctuation in the fair value of the property during the year ended 31 March 2023.

(b) The fair value of the Group's investment property has been arrived at using Composite rate method. Under Composite rate method, rate is arrived using comparable sales instance for similar property with same specification in the adjoining locality and further adjusted for depreciation on building component. The main inputs used are age of the building, life of the building, salvage value and composite rate.

(c) Details of the Group's investment property and information about the fair value hierarchy is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Assets for which fair values are disclosed		
Investment property		
Level 1	-	-
Level 2	-	-
Level 3	2,917.04	2,917.04

(d) Amounts recognised in statement of profit and loss related to investment properties (excluding depreciation and finance costs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Rental income from investment property	60.03	100.88
Direct operating expenses arising from investment property that generated rental income during the year	5.43	8.76
Direct operating expenses arising from investment property that did not generate rental income during the year	-	-

(All amounts are in INR Lakhs, unless otherwise stated)

8 Goodwill

Particulars	As at 31 March 2023
Opening Balance	-
Business Combination (Refer note 65)	782.36
Closing Balance	**782.36**

Note:

Impairment recognised in the Statement of Profit and Loss during the year is Nil

The goodwill impairment testing is performed at the level of the cash generating unit which represents the smallest identifiable group of assets that generates independent cash flows. The impairment testing is performed annually or whenever there is an indication that the cash generating unit to which the goodwill has been allocated may be impaired.

In determining the value-in-use, cash flow projections approved by appropriate level of management are considered. Key assumptions on which management has based its determination of value-in-use includes estimated growth rates (including terminal growth rates) and discount rates. In circumstances where a reliable value-in-use estimate is difficult to make and market value of the asset or the cash generating unit is readily available, the latter is used for the determination of recoverable amount with appropriate adjustments, as applicable. Cash flow projections are usually considered for next five years. Cash flows projections beyond the five-year period are extrapolated using terminal growth rates.

9 Other intangible assets

Particulars	License	Softwares	Intellectual Property Rights	Other intangible assets of foreign step down subsidiary	Mobile application	Customer Acquisition	Non-Compete	Technical know-how	Total
Gross block:									
As at 31 March 2021	**67.50**	**83.88**	**100.00**	**481.46**	-	-	-	-	**732.84**
Additions	-	6.60	60.20	269.67	-	-	-	-	336.47
Disposals	-	-	(160.20)	-	-	-	-	-	(160.20)
Foreign currency translations	-	(0.58)	-	(15.58)	-	-	-	-	(16.16)
As at 31 March 2022	**67.50**	**89.90**	-	**735.55**	-	-	-	-	**892.95**
Additions -	-	48.08	-	221.30	4.50	100.00	-	-	373.88
Acquisition on account of business combination	-	-	-	-	-	-	458.79	211.06	669.85
Disposals	-	-	-	-	-	-	-	-	-
Foreign currency translations	-	1.41	-	52.68	-	-	(2.78)	(1.28)	50.03
As at 31 March 2023	**67.50**	**139.39**	-	**1,009.53**	**4.50**	**100.00**	**456.01**	**209.78**	**1,986.71**
Accumulated amortization :									
As at 31 March 2021	**14.61**	**39.55**	**35.19**	**115.35**	-	-	-	-	**204.70**
Charge for the year	14.92	15.42	4.59	88.99	-	-	-	-	123.92
Disposals	-	-	(39.78)	-	-	-	-	-	(39.78)
Foreign currency translations	-	(0.05)	-	(4.04)	-	-	-	-	(4.09)
As at 31 March 2022	**29.53**	**54.92**	-	**200.30**	-	-	-	-	**284.75**
Charge for the year	14.92	27.19	-	77.32	0.71	1.21	10.90	10.03	142.28
Disposals	-	-	-	-	-	-	-	-	-
Foreign currency translations	-	0.47	-	14.86	-	-	(0.03)	(0.03)	15.27
As at 31 March 2023	**44.45**	**82.58**	-	**292.48**	**0.71**	**1.21**	**10.87**	**10.00**	**442.30**
Net block:									
As at 31 March 2022	**37.97**	**34.98**	-	**535.25**	-	-	-	-	**608.20**
As at 31 March 2023	**23.05**	**56.81**	-	**717.05**	**3.79**	**98.79**	**445.14**	**199.78**	**1,544.41**

(All amounts are in INR Lakhs, unless otherwise stated)

9(i) Intangible assets under development

Particulars	Amount
As at 31 March 2021	**-**
Addition during the year	4.50
Capitalised during the year	-
As at 31 March 2022	**4.50**
Addition during the year	-
Capitalised during the year	4.50
As at 31 March 2023	**-**

For Intangible assets under development ageing, refer note 57.

10 Investments (Non-current)

Particulars	As at 31 March 2023	As at 31 March 2022
Measured at fair value through Profit & Loss:		
(i) Investments in equity instruments of other companies (unquoted):		
Investment in other companies	345.78	325.44
	345.78	**325.44**
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	345.78	325.44
Aggregate amount of impairment in value of investment	-	-

11 Other financial assets (Non-current)

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good:		
Security deposits	28.71	25.41
Margin money deposits *	2,083.33	352.60
	2,112.04	**378.01**

* The deposits are pledged against bank guarantees issued and for cash credit / letter of credit facilities.

12 Deferred tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax assets:		
Provision allowed under tax on payment basis	85.33	99.12
Share issue expenses allowable u/s 35D of the Income-tax Act, 1961	-	10.04
Measurement of financial assets and liabilities at amortised cost, net	6.07	29.81
Ind AS 116 - "Leases”	40.25	38.62
Others	1.31	2.74
Total deferred tax asset (A)	**132.96**	**180.33**
Deferred tax liabilities		
Accelerated depreciation for tax purpose	81.96	73.75
Ind AS 115 - "Revenue from contracts with customers"	4.42	4.42
Total deferred tax liabilities (B)	86.38	78.17
Net Deferred tax Assets (A-B)	**46.58**	**102.16**

(All amounts are in INR Lakhs, unless otherwise stated)

13 Other non-current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Prepaid expenses	39.33	126.01
Capital advances (Refer note 69)	1,384.46	29.63
Advance towards purchase of equity instruments (Refer note 72)	120.59	841.40
	1,544.38	**997.04**

14 Non-current tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Advance tax and tax deducted at source (net of provision for tax)	31.51	41.66
	31.51	**41.66**

15 Inventories

(valued at lower of cost and net realisable value, unless otherwise stated)

Particulars	As at 31 March 2023	As at 31 March 2022
Raw materials	3,427.02	3,405.32
Work in progress	2,851.86	4,456.60
Finished goods	99.80	50.39
	6,378.68	**7,912.31**

Refer note 24 and 28 for details of inventories pledged against borrowings by the Group.

16 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good:		
Trade receivables	22,702.09	17,334.15
Less: Allowance for expected credit loss	(92.82)	(116.17)
	22,609.27	**17,217.98**

Refer note 24 and 28 for details of trade receivables pledged against borrowings by the Group.
Refer note 45 for details about related party trade receivables.
Refer note 48 for information about credit risk and market risk of trade receivables.
Refer note 54 for trade receivable ageing.

17 Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Cash on hand	18.75	32.00
Balances with banks:		
- in current accounts	110.39	110.54
- in escrow account	0.12	0.12
- in EEFC account	0.16	1.60
- in overdraft accounts	2.29	-
- in fixed deposit accounts with original maturity of 3 months or less	160.00	-
	291.71	**144.26**

(All amounts are in INR Lakhs, unless otherwise stated)

18 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Margin money deposits*	1,603.74	759.57
Fixed deposits with original maturity of more than 3 months but less than 12 months	40.00	-
	1,643.74	**759.57**

* The deposits are pledged against bank guarantees issued and for cash credit / letter of credit facilities.

19 Loans (Current)

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good :		
Loans	752.78	735.94
Staff loans and advances	92.45	64.41
Other receivables	7.52	7.09
Loans receivables - credit impaired	13.66	13.66
Less: Allowance for expected credit loss	(13.66)	(13.66)
	852.75	**807.44**

Refer note 48 for information about credit risk and market risk of loans.

Notes:

There are no outstanding loans or advances in the nature of loans granted to Promoters, Directors, key management personnel and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

20 Other financial assets (Current)

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good :		
Security deposits	103.69	30.97
Lease deposits:		
- related parties (Refer note 45)	343.20	338.48
- others	16.31	14.04
Interest accrued on deposits	140.25	55.29
Rent receivable (including related parties) (Refer note 45)	27.18	-
Unsecured, considered doubtful :		
Other receivables	4.84	4.84
Less: Allowance for expected credit loss	(4.84)	(4.84)
	630.63	**438.78**

Refer note 48 for information about credit risk and market risk of other financial assets.

(All amounts are in INR Lakhs, unless otherwise stated)

21 Other current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with government authorities	749.57	800.85
Contract assets	14.46	14.46
Advances to suppliers	1,291.75	1,183.70
Prepaid expenses	553.56	294.72
Other receivables	880.15	817.16
	3,489.49	**3,110.89**

22 Equity share capital

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised :		
15,00,00,000 (31 March 2022: 15,00,00,000) equity shares of Rs. 2 each (31 March 2022: Rs 2 each)	3,000.00	3,000.00
	3,000.00	**3,000.00**
Issued, subscribed and paid-up capital :		
12,63,15,250 (31 March 2022: 12,26,65,250) equity shares of Rs. 2 each (31 March 2022: Rs 2 each) fully paid-up	2,526.31	2,453.31
	2,526.31	**2,453.31**

a) Reconciliation of the number of shares:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of Shares	Amount	Number of Shares	Amount
Outstanding as at the beginning of the year	12,26,65,250	2,453.31	12,26,65,250	2,453.31
Equity shares issued during the year on conversion of share warrants *	36,50,000	73.00	-	-
Outstanding as at the end of the year	**12,63,15,250**	**2,526.31**	**12,26,65,250**	**2,453.31**

* Consequent to the approval by the Board of Directors in its meeting dated 22 August 2022 and subsequent approval by the Shareholders by Special Resolution in the Annual General Meeting dated 19 September 2022, the Board, on 30 September 2022 has allotted 1,00,00,000 Convertible Warrants carrying an entitlement to subscribe to an equivalent number of equity shares of face value of Rs 2 each at price of Rs 29.25 per warrant (including premium of Rs 27.25 per warrant), being price not lower than the minimum price calculated in accordance with the Regulations for Preferential Issue in Chapter V of SEBI (ICDR) Regulations, 2018 to the Promoters and Non-Promoters allotees. Each warrant is convertible into one equity share within a period of 18 months from the date of allotment at the option of warrant holder. As per the terms of allotment, the Company has received subscription money equivalent to 25% of the issue price and the balance 75% shall be paid by the warrant holder at the time of allotment of equity shares pursuant to exercise of option.

During the year, 36,50,000 Convertible Warrants have been converted into equivalent number of equity shares by the Promoters. As per the terms of allotment, the balance 75% subscription money payable by the warrant holder at the time of allotment of equity shares pursuant to exercise of option have been received by the Company. These equity shares issued on conversion are reflected in Benpos report of the Company subsequent to year end.

(All amounts are in INR Lakhs, unless otherwise stated)

b) Rights, preference and restrictions attached to the equity shares:

The Company has single class of equity shares having a par value of Rs. 2 each. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) List of shareholders holding more than 5% shares of a class of shares :

	As at 31 March 2023		As at 31 March 2022	
	Number of Share	% of holding	Number of Share	% of holding
KDU Enterprises Private Limited	6,54,06,875	51.78%	6,34,06,875	51.69%
Mr. Venkatesh K. Uchil	2,77,72,375	21.99%	2,67,72,375	21.83%

d) Details of shares held by the holding company

	As at 31 March 2023		As at 31 March 2022	
	Number of Share	% of holding	Number of Share	% of holding
KDU Enterprises Private Limited	6,54,06,875	51.78%	6,34,06,875	51.69%

e) Disclosure of shareholding of promoters
Equity shares of Rs 2 each fully paid-up

Promoter's name	Shareholding		% change during the year	
	Number of Share	% of holding	Number of Share	% of holding
KDU Enterprises Private Limited	6,54,06,875 *(6,34,06,875)*	51.78% *(51.69%)*	20,00,000	0.09%
Mr. Venkatesh K. Uchil	2,77,72,375 *(2,67,72,375)*	21.99% *(21.83%)*	10,00,000	0.16%
Mr. Vinay K. Uchil	7,29,000 *(9,000)*	0.58% *(0.01%)*	7,20,000	0.57%
Ms. Tanuja D. Pudhierkar	1,000 *(1,000)*	0.001% *(0.001%)*	-	0.00%

(figures in bracket denote previous year figures)

f) The Company has neither allotted any fully paid-up equity share by way of bonus shares, or in pursuant to contract without payment being received in cash nor has bought back any class of equity shares during the period of five year immediately preceding the balance sheet date.

(All amounts are in INR Lakhs, unless otherwise stated)

23 Other equity

Particulars	As at 31 March 2023	As at 31 March 2022
Securities premium	4,978.17	3,983.54
General reserve	708.10	708.10
Retained earnings	11,035.89	9,459.58
Other comprehensive income	755.05	580.09
Other component of equity	292.46	196.87
Capital reserve	76.88	76.88
Money received against share warrants	464.34	-
	18,310.89	**15,005.06**

Nature and purpose of reserves:

Securities premium: Securities premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provision of the Companies Act, 2013.

General reserve: General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer of one component of equity to another.

Retained earnings: Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders. Further, it also includes the impact of remeasurements of the defined benefit obligations, net of tax.

Other comprehensive income: Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Other component of equity: Other component of equity represents fair value of financial guarantee.

Capital reserve: Capital reserve is created for bargain purchase at the time of acquisitions.

Money received against share warrants: Represents subscription money received by the Company as per the terms of allotment equivalent to 25% of the issue price of share warrants.

24 Borrowings (Non-current)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Non current	Current	Non current	Current
Secured :				
Term loans :				
(a) From banks :				
(i) Vehicle loan {refer note (a) and (b)}	0.52	0.64	2.12	4.62
(ii)Other term loan {refer note (c) to (g)}	1,787.25	622.40	423.53	427.40
(b) From others:				
Vehicle loan {refer note (h) and (i)}	12.99	6.39	13.61	3.77
Unsecured :				
Term loans :				
(a) From banks {refer note (j) and (k)}	36.36	-	-	7.91
(b) From others {refer note (l)}	384.83	-	-	-
	2,221.95	**629.43**	**439.26**	**443.70**

(All amounts are in INR Lakhs, unless otherwise stated)

Note :

(a) Indian rupee vehicle loans from ICICI Bank Limited carrying value of Rs 1.16 lakhs as at 31 March 2023 (31 March 2022: Rs 2.73 lakhs) taken by the Company is secured against hypothecation of vehicles is repayable in 60 monthly installments. The loans carry interest ranging from 9.00% p.a. to 9.75% p.a. (31 March 2022: 9.00% p.a. to 9.75% p.a.).

Indian rupee vehicle loan from ICICI Bank Limited carrying value of Rs Nil as at 31 March 2023 (31 March 2022: Rs 1.49 lakhs) taken by Narhari Engineering Works is secured against hypothecation of vehicle and is repayable in 60 monthly installments. The loan carries an interest of NA (31 March 2022: 8.26% p.a.).

(b) Indian rupee vehicle loan from Axis Bank Limited carrying value of Rs Nil as at 31 March 2023 (31 March 2022: Rs 2.52 lakhs) taken by the Company is secured against hypothecation of the vehicle is repayable in 36 monthly installments. The loan carries an interest of NA (31 March 2022: 8.76% p.a.).

(c) Indian rupee term loan from Kotak Mahindra Bank Limited carrying value of Rs 298.56 lakhs as at 31 March 2023 (31 March 2022: Rs 633.08 lakhs) taken by the Company is primarily secured by equitable mortgage of industrial property at plot no. 54, 57, 55 and 56, Verna Industrial Estate, Phase IV, Salcete, Goa. The loan is repayable in 60 monthly installments. The loan carries an interest of K-MCLR 6M + Spread of 1.15% p.a. (31 March 2022: K-MCLR 6M + Spread of 1.15% p.a.). The loan is backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited, the Parent Company.

(d) Indian rupee term loan from Kotak Mahindra Bank Limited under Guaranteed Emergency Credit Line (GECL) under ECLGS scheme carrying value of Rs 108.79 lakhs as at 31 March 2023 (31 March 2022: Rs 178.51 lakhs) taken by the Company is secured by equitable mortgage of industrial property at plot no. 54, 57, 55 and 56, Verna Industrial Estate, Phase IV, Salcete, Goa. The loan is repayable in 48 monthly installments including moratorium of 12 months. The loan carries an interest of 8.00% p.a. (31 March 2022: 8.00% p.a.). The loan is backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited, the Parent Company.

(e) Indian rupee term loan from State Bank of India carrying value of Rs Nil as at 31 March 2023 (31 March 2022: Rs 39.34 lakhs) taken by the Company is primarily secured by hypothecation charge over inventory, book debts and other movable current assets, present & future at Mumbai and both the Goa plants. The loan is collaterally secured by:

(i) Commercial Building bearing Survey Number: A2, B1, B2, Ground Floor, situated at Unit No. A-2, B-1, B-2, Ground Floor, Udyog Sadan No. 3, Industrial Computer & Software Premises Co-op. Society Ltd., Near Seepz Bus Stop, Central Road, Seepz, Andheri East, Mumbai, 400093;

(ii) P & M at (a) B-1, Udyog Sadan- 3 Andheri and (b) 5-17/18 Goa;

(iii) Factory Land & Buildings bearing Survey Number: 30, situated at Plot No. 17 & 18, bearing Survey No. 30, Verna Industrial Estate, Phase I, Village Nagoa, District Salcete, South Goa, Village Nagoa, District Salcete, Goa, 403722;

(iv) Residential Building bearing Survey Number : 502A and 502B, situated at 502/A and 502/B, Fifth Floor, Heritage, Hiranandani gardens, CTS Nos. 20(pt), 21(pt), 22(pt) and 30(pt), Powai, Mumbai, 400076;

(v) Commercial Building bearing Survey Number: D-1 & B-3, situated at Unit No. D-1 & B-3, Ground Floor, Udyog Sadan No. 3, Industrial Computer & Software Premises Co-op. Society Ltd., Near Seepz Bus Stop, Central Road, Seepz, Andheri East, Mumbai, 400093;

The loan is repayable in 24 monthly installments including moratorium of 6 months. The loan carries an interest of 1 year MCLR with annual reset (31 March 2022: 1 year MCLR with annual reset). The loan is backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited, the Parent Company and Philins Industrial Corporation.

(All amounts are in INR Lakhs, unless otherwise stated)

(f) Indian rupee term loan from The Karur Vysya Bank Limited carrying value of Rs 1,372.97 lakhs as at 31 March 2023 (31 March 2022: Rs Nil) taken by the Company is primarily secured by mortgage of commercial land and building situated at ground + 2 upper floors, road no.9, MIDC Marol, Plot No. 16, Village Mulgaon, Andheri East, Mumbai - 400093. The loan is repayable in 120 monthly installments. The loan carries an interest of 3 months MCL rate of the bank (31 March 2022: NA). The loan is backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited, the Parent Company.

(g) Indian rupee term loan from Kotak Mahindra Bank Limited carrying value of Rs 629.33 lakhs as at 31 March 2023 (31 March 2022: Rs Nil) taken by the Company is primarily secured by equitable mortgage of industrial property at plot no. 54, 57, 55 and 56, Verna Industrial Estate, Phase IV, Salcete, Goa. The loan is repayable in 60 monthly installments. The loan carries an interest of Repo Rate + Spread of 3.25% p.a. (31 March 2022 : NA). The loan is backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited, the Parent Company.

(h) Indian rupee vehicle loan from Kotak Mahindra Prime Ltd. carrying value of Rs 13.61 lakhs as at 31 March 2023 (31 March 2022: Rs 17.38 lakhs) taken by the Company is secured against hypothecation of vehicles is repayable in 60 monthly installments. The loan carries an interest of 7.72% p.a. (31 March 2022: 7.72% p.a.)

(i) Indian rupee vehicle loan from Kotak Mahindra Prime Limited carrying value of Rs 5.77 lakhs as at 31 March 2023 (31 March 2022: Rs Nil) taken by the Company is secured against hypothecation of vehicle is repayable in 36 monthly installments. The loan carries an interest ranging from 8.50% p.a to 9.00% p.a. (31 March 2022: NA)

(j) Indian rupee term loan from Deutsche Bank carrying value of Rs Nil as at 31 March 2023 (31 March 2022: Rs 7.91 lakhs) taken by Narhari Engineering Works. The loan is unsecured and is repayable in 36 monthly installments. The loan carried an interest of NA (31 March 2022: 16.10% p.a.).

(k) Foreign currency interest free unsecured covid business loan from TD Canada Trust carrying value of CAD $ 60,000 equivalent to Rs. 36.36 lakhs as at 31 March 2023 taken by Xanatos Marine Ltd, a subsidiary company. The loan is for a term of 68 months.

(l) Foreign currency unsecured loan from Xanatos Holdings Ltd carrying value of CAD $ 6,34,972 equivalent to Rs. 384.83 lakhs as at 31 March 2023 taken by Xanatos Marine Ltd, a subsidiary company. The loan is repayable by 31 January 2027 and carries annual rate of Prime Rate (interest designated by The Toronto-Dominion Bank as its prime rate for canadian dollar commercial loans made in Canada).

Net Debt Reconciliation

Particulars	As at 31 March 2023	As at 31 March 2022
Current borrowings	3,659.98	2,650.85
Non-current borrowings (including current maturities of long-term debts)	2,851.38	882.95
Lease liabilities	58.15	127.80
	6,569.51	**3,661.60**

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Current borrowings	Non-Current borrowings	Lease liabilities	Total
Balance as at 31 March 2021	**4,026.33**	**1,423.93**	**380.10**	**5,830.36**
Cash flows (net)	(1,375.48)	(551.96)	(278.23)	(2,205.67)
Interest expense	197.26	97.43	25.93	320.63
Interest paid	(197.26)	(99.87)	-	(297.13)
Other non-cash movements:				
Effective interest rate adjustment	-	13.42	-	13.42
Balance as at 31 March 2022	**2,650.85**	**882.95**	**127.80**	**3,661.60**
Cash flows (net)	1,009.13	1,931.08	(77.48)	2,862.73
Interest expense	300.00	209.63	7.83	517.46
Interest paid	(300.00)	(199.73)	-	(499.73)
Other non-cash movements:				
Effective interest rate adjustment	-	27.45	-	27.45
Balance as at 31 March 2023	**3,659.98**	**2,851.38**	**58.15**	**6,569.51**

25 Lease liabilities (refer note 46)

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current	57.27	59.57
Current	0.88	68.23
	58.15	**127.80**

26 Other financial liabilities (Non-current)

Particulars	As at 31 March 2023	As at 31 March 2022
Lease deposit	108.00	-
	108.00	**-**

27 Provisions (Non-current)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employees benefits		
Gratuity (refer note 44)	258.60	226.23
Compensated absences (refer note 44)	63.57	60.54
	322.17	**286.77**

28 Borrowing (Current)

Particulars	As at 31 March 2023	As at 31 March 2022
Secured		
From banks:		
Cash credits / over draft facilities {refer note (a) to (d)}	3,043.46	1,975.06
Working capital demand loan {refer note (e)}	601.27	660.54
Current maturities of long-term borrowings (refer note 24)	629.43	443.69
Unsecured:		
Loan from others {refer note (f)}	15.25	15.25
	4,289.41	**3,094.54**

(All amounts are in INR Lakhs, unless otherwise stated)

Notes:

a) Cash credit facility from Axis Bank Limited outstanding of Rs 256.45 lakhs as at 31 March 2023 (31 March 2022: Rs 43.97 lakhs) carrying interest of Repo + 4.25% (31 March 2022: Repo + 5.25%) taken by the Company is repayable on demand. These are secured by hypothecation of entire current assets including stock, raw material, semi-finished goods, consumable stores, receivables, bills, deposits etc. and moveable fixed assets both present and future of the Company in pari passu with other banks. The facility is collaterally secured by exclusive charge on industrial property situated at Plot No. C1, B-71 and C1, B-72, GIDC Industrial Estate, Surat Hazira Road, Ichchpore, Bhatpore, Opp. GAIL Colony, Surat - 394510 and exclusive charge on land and building at Plot No. N-51, 52, 59 & 60, Phase IV, Verna Industrial Estate, Salcete, Goa owned by the Company.

The facility is backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited, the parent Company

b) Cash credit facility from State Bank of India outstanding of Rs 2,034.10 lakhs as at 31 March 2023 (31 March 2022: Rs 1,410.27 lakhs) carrying interest of 2.00% above 6 M MCLR (31 March 2022: 2.75% above 6M MCLR) taken by the Company is repayable on demand. These are secured by 1st pari passu hypothecation charge over inventory, book debts and other movable current assets, present & future at Mumbai and Goa plants. The facility is collaterally secured by:

i) Equitable / Registered Mortgage of Unit No B-1, Ground Floor, Industrial Computer and Software Premises Co-Op. Soc. Ltd., Udyog Sadan-3, Plot no-F-4+5+6, MIDC, Andheri (E), Mumbai owned by the Company;

ii) Equitable Mortgage on factory premises at S-17/18, Verna Industrial Estate, Phase-1, Verna Electronic City, Salcete, Goa owned by the Company;

iii) Hypothecation of all Plant & Machinery, present and future at Mumbai and Goa plants;

iv) Equitable / Registered Mortgage on Unit No A-2, Ground Floor, Industrial Computer and Software Premises Co-Op. Soc. Ltd., Udyog Sadan No.3, Central Road, Near Seepz Bus Depot, Andheri (E), Mumbai owned by M/s Philins Industrial Corporation;

v) Equitable / Registered Mortgage of Unit No B-2, D-1, B-3 Ground Floor, Industrial Computer and Software Premises Co-Op. Soc. Ltd., Udyog Sadan No.3, Central Road, Near Seepz Bus Depot, Andheri (E), Mumbai owned by KDU Enterprises Private Limited;

vi) Equitable / Registered Mortgage on 502/A and 502/B, Fifth Floor, Heritage, Hiranandani Gardens, CTS Nos. 20(pt), 21(pt), 22(pt) and 30(pt), Powai, Mumbai - 400076 owned by Mr. Venkatesh Uchil.

The facility is backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited, the Parent Company and Philins Industrial Corporation.

c) Cash credit facility from IndusInd Bank outstanding of Rs 677.21 lakhs as at 31 March 2023 (31 March 2022: Rs 447.13 lakhs) taken by the Company is carrying interest of Floating rate of 6M MCLR + 0.75% p.a. (31 March 2022: 6M CD rate + 5.31%) is repayable on demand. These are secured by first pari-passu charge on entire current assets of the Company. The facility is collaterally secured against fixed deposit of Rs 1,620.00 lakhs.

The facility is backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited, the Parent Company.

d) Cash credit facility from DCB Bank Limited outstanding of Rs 75.70 lakhs as at 31 March 2023 (31 March 2022: Rs 73.69 lakhs) taken by Narhari Engineering Works is carrying interest of EBLR + credit risk premium, as applicable (31 March 2022: EBLR + credit risk premium, as applicable) is repayable on demand. These are secured by hypothecation of stock & book debts & current assets. The loan is collaterally secured by hypothecation of entire Plant & Machinery, furniture and fixtures and equitable mortgage of immovable industrial property situated at 3/B, Shri Industrial Estate, Near Dhavale Hospital, Boisar Road, Palghar - 401404.

The facility is backed by personal guarantee of Mr. Venkatesh Uchil, Mr. Vinay Uchil and corporate guarantee of Marine Electricals (India) Limited and KDU Enterprises Private Limited.

(All amounts are in INR Lakhs, unless otherwise stated)

(e) Foreign currency working capital demand loan from Axis Bank Limited, Dubai outstanding of AED 26,87,674 equivalent to Rs. 601.27 lakhs as at 31 March 2023 (31 March 2022: AED 31,90,389 equivalent to Rs 660.54 lakhs) taken by MEL Power Systems FZC, a subsidiary company, carrying interest of 3M SOFR + 200 bps p.a. (31 March 2022: 3M SOFR + 200 bps p.a.) is repayable on demand. The loan is secured by

(i) SBLC from Axis Bank Ltd, India with tenure 15 days more than WC tenure;

(ii) Mortgage over immovable property comprising of Land and Building at Plot No. 51, 52, 59 and 60, Phase IV, Verna Electronic city, Salcete, Goa, India - 403722 owned by the Company;

(iii) Hypothecation of stock and assignment of receivables of the borrower on a pari passu basis;

(iv) Undated cheques equivalent to the facility amount and 6 month interest;.

The facility is backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of the Company.

(f) Interest free Indian rupee unsecured loan from Electrovast Solutions outstanding of Rs 15.25 lakhs as at 31 March 2023 (31 March 2022: Rs 15.25 lakhs) taken by Eltech Engineers Madras Private Limited, a subsidiary company, is repayable on demand.

29 Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding dues to micro and small enterprises	147.38	87.64
Total outstanding dues to creditors other than micro and small enterprises*	14,400.31	12,231.55
	14,547.69	**12,319.19**

* For details about related party trade payables, refer note 45.

For trade payables ageing, refer note 55.

30 Other financial liabilities (Current)

Particulars	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due on borrowings	14.09	4.19
Lease deposits	20.00	20.00
Employee dues payable	135.41	225.76
Unpaid dividends	0.91	0.92
Creditors for purchase of property, plant and equipment	185.06	305.59
Other payables	15.80	-
	371.27	**556.46**

31 Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Contract liabilities	1,822.22	1,221.33
Statutory dues payable	236.55	101.83
Other payables	905.52	857.81
	2,964.29	**2,180.97**

32 Provision (Current)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits:		
Gratuity (Refer note 44)	15.84	24.55
Compensated absences (Refer note 44)	2.11	1.90
	17.95	**26.45**

(All amounts are in INR Lakhs, unless otherwise stated)

33 Current tax liabilities (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for tax (net of advance tax)	193.52	151.65
	193.52	**151.65**

34 Revenue from operations

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from contract with customers:		
Sale of products:		
- Electricals and electronics	39,435.95	33,724.65
- Solar	-	48.58
	39,435.95	33,773.23
Sale of services:		
- Electricals and electronics	4,722.42	3,632.81
- Solar	38.59	181.50
	4,761.01	3,814.31
Other operating revenues:		
Duty drawback	88.48	45.32
	44,285.44	**37,632.86**

Disaggregation of revenue:

The Group has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

Revenue by geography:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
- Within India	35,996.52	30,771.68
- Outside India #	8,200.44	6,815.86
	44,196.96	**37,587.54**

including deemed export of Rs 1,235.81 lakhs (31 March 2022: Rs 164.21 lakhs)

Revenue by time:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Over a period of time	38.59	230.08
At a point in time	44,158.37	37,357.46
	44,196.96	**37,587.54**

Reconciliation of revenue recognised with contract price:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Contract price	44,196.96	37,587.54
Adjustments for:		
Claims and rebates	-	-
	44,196.96	**37,587.54**

(All amounts are in INR Lakhs, unless otherwise stated)

Trade receivables and contract balances:

(i) The Group classifies the right to consideration in exchange for deliverables as either a receivable or as contract asset.

(ii) A receivable is a right to consideration that is unconditional upon passage of time.

(iii) The contract assets primarily relate to the Group's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the right become unconditional. Contract assets are presented in note 21.

(iv) The contract liabilities primarily relate to the advance consideration received from customers. Contract liabilities are presented in note 31.

(v) Trade receivables are presented net off loss allowance in note 16.

Movement in contract balances:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Movement in contract assets:		
Opening balances as on 1 April	14.46	183.48
Add: Revenue recognized during the year	-	-
Less: Invoiced during the year	-	(169.02)
Closing balance as on 31 March	**14.46**	**14.46**
Movement in contract liabilities:		
Opening balances as on 1 April	1,221.33	1,064.42
Less: Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	(791.93)	(911.87)
Add: Deferred revenue and advance from customers	1,392.82	1,068.78
Closing balance as on 31 March	**1,822.22**	**1,221.33**

35 Other income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income on:		
- financial instruments at amortised cost	4.73	30.80
- term deposits	151.78	53.51
- inter corporate loan	18.71	14.64
- advance towards purchase of equity instruments {Refer note72(b)}	12.07	9.73
Exchange gain (net)	66.89	112.17
Liabilities/ sundry balances written back	37.93	91.48
Allowance for expected credit loss written back	23.35	11.62
Rental income	73.23	111.68
Sale of scrap	8.29	4.24
Insurance claim	0.21	9.45
Sales tax refund	-	16.27
Profit on sale of property, plant and equipment (net)	41.43	-
Miscellaneous income	13.95	19.75
	452.57	**485.34**

(All amounts are in INR Lakhs, unless otherwise stated)

36 Cost of materials consumed

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventory of materials at the beginning of the year	3,405.32	3,178.47
Add: Acquisition on account of business combination	15.84	-
Add: Purchases	31,307.95	28,332.39
	34,729.11	31,510.86
Less: Inventory of materials at the end of the year	3,427.02	3,405.32
Foreign currency translations	61.15	14.01
	31,363.24	**28,119.55**

37 Changes in inventories of finished goods and work in progress

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventories at the beginning of the year:		
Work in progress	4,456.60	4,720.37
Finished goods	50.39	21.33
	4,506.99	4,741.70
Inventories at the end of the year:		
Work in progress	2,851.86	4,456.60
Finished goods	99.80	50.39
	2,951.66	4,506.99
Foreign currency translations	48.99	(23.97)
	1,604.32	**210.74**

38 Employee benefits expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and allowances	2,959.38	2,684.13
Contribution to provident and other funds (Refer note 44)	128.31	106.08
Gratuity (Refer note 44)	61.99	55.57
Compensated absences (Refer note 44)	51.01	33.38
Staff welfare	249.20	203.56
	3,449.89	**3,082.72**

39 Finance costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on:		
- financial instruments at amortised cost	27.45	13.42
- borrowings from banks and others	567.57	337.60
- statutory payments	32.21	1.89
- others	7.83	25.93
Bank charges	330.14	322.46
Corporate guarantee fees	28.93	26.82
Other financial charges	-	0.02
	994.13	**728.14**

(All amounts are in INR Lakhs, unless otherwise stated)

40 Depreciation and amortization expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment	518.83	471.06
Depreciation on right-of-use assets	91.16	279.09
Depreciation on investment property	55.72	60.56
Amortization on intangible assets	142.28	123.92
	807.99	**934.63**

41 Other expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Rent	315.59	105.51
Power and fuel	141.28	102.56
Repair and maintenance		
- plant and machinery	123.65	80.02
- buildings	1.25	1.27
- others	9.83	3.71
Vehicle running expense	40.93	30.21
Rates and taxes	134.41	42.27
Insurance	46.20	35.74
Liquidation damages	91.86	223.48
Inspection charges	214.17	185.63
Commissioning expenses	276.95	295.38
Clearing and forwarding charges	457.01	558.21
Traveling and conveyance	294.56	138.86
Postage and communication	51.43	42.07
Legal and professional fees	1,037.16	665.39
Payment to auditors	19.54	21.22
Contribution towards Corporate Social Responsibility	15.20	15.85
Director sitting fees	5.50	5.55
Housekeeping and security charges	79.24	68.85
Printing and stationery	50.34	33.10
Sales promotion and advertisement expenses	226.73	64.24
Sundry balances written off	11.50	8.71
Bad debts written off	184.18	111.89
Loss on sale of property, plant and equipment (net)	-	85.62
Miscellaneous expenses	182.64	170.61
	4,011.15	**3,095.95**

(All amounts are in INR Lakhs, unless otherwise stated)

40. Income tax

The major components of income tax expense for the year ended 31 March 2023 and 31 March 2022 are:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Statement of profit and loss section		
Current income tax :		
Current income tax charge	799.86	631.89
Adjustment in respect of tax for earlier years	(23.67)	57.45
Deferred tax charge/(credit) :		
Relating to origination and reversal of temporary differences	51.02	(73.11)
Income tax expense reported in the statement of profit and loss	**827.21**	**616.23**
Other comprehensive income section		
Income tax relating to items that will not be reclassified to profit or loss	(4.56)	(0.12)
	831.77	**616.35**

Reconciliation of tax expense and the accounting profit

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Accounting profit before tax	2,507.29	1,944.05
Computed tax expense :		
At India's statutory income tax rate of 25.168% (31 March 2022: 25.168%)	631.04	489.28
Adjustments for :		
Amounts which are non-deductible in calculating taxable income	18.08	5.80
Expenses deductible for tax purpose	(5.53)	(8.43)
Effect of tax rate changes in subsidiaries	36.64	19.87
Effect of difference in tax rate	(4.18)	8.68
Adjustment in respect of tax for earlier years	(23.67)	57.45
Items for which deferred tax was not recognised	86.02	11.04
Others	93.37	32.67
At the effective income tax rate	831.77	616.35
Income tax expense reported in statement of profit and loss	**831.77**	**616.35**

Deferred tax relates to the following

Particulars	Balance sheet		Statement of profit and loss	
	As at 31 March 2023	As at 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Provision allowed under tax on payment basis	85.33	99.12	(13.79)	16.51
Share issue expenses allowable u/s 35D of the Income-tax Act, 1961	-	10.04	(10.04)	(10.04)
Measurement of financial assets and liabilities at amortised cost, net	6.07	29.81	(23.74)	4.47
Ind AS 116 - "Leases"	40.25	38.62	1.63	0.31
Ind AS 115 - "Revenue from contracts with customers"	(4.42)	(4.42)	-	26.24
Accelerated depreciation for tax purpose	(81.96)	(73.75)	(8.21)	35.40

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Balance sheet		Statement of profit and loss	
	As at 31 March 2023	As at 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Others	1.31	2.74	(1.43)	0.10
Net deferred tax (charge) / credit			**(55.58)**	**72.99**
Net deferred tax assets / (liabilities)	**46.58**	**102.16**		

Reflected in the balance sheet as follows

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax liabilities	(86.38)	(78.17)
Deferred tax assets	132.96	180.33
Deferred tax assets / (liabilities), net	**46.58**	**102.16**

Reconciliation of deferred tax (liabilities) / assets, net

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance as on April 1	102.16	29.17
Tax (income) / expense during the year recognised in statement of profit and loss	51.02	(73.11)
Tax (income) / expense during the year recognised in other comprehensive income	4.56	0.12
Closing balance	**46.58**	**102.16**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

43. Earnings per share

The following table set forth the computation of basic and dilutive earnings per share:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Net profit for the year attributable to equity shareholders	1,699.54	1,297.72
Weighted average number of equity shares outstanding during the year	12,29,85,524	12,26,65,250
Weighted average number of equity shares (including dilutive shares) outstanding during the year	12,52,98,180	12,26,65,250
* Basic earnings per equity share [Face value of Rs. 2 each] (Rupees)	1.38	1.06
Diluted earnings per equity share [Face value of Rs. 2 each] (Rupees)	1.36	1.06

Reconciliation of shares used in computing earnings per share

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
No. of equity shares at the beginning of the year	12,26,65,250	12,26,65,250
Add: Equity shares issued during the year on conversion of share warrants *	36,50,000	-
No. of equity shares at the end of the year	**12,63,15,250**	**12,26,65,250**
Weighted average number of equity shares outstanding during the year	12,29,85,524	12,26,65,250
Add: Weighted average number of potential equity shares on account of convertible share warrants *	23,12,656	-
Weighted average number of equity shares (including dilutive shares) outstanding during the year	**12,52,98,180**	**12,26,65,250**

(All amounts are in INR Lakhs, unless otherwise stated)

* During the year, the Company has allotted 1,00,00,000 Convertible Warrants carrying an entitlement to subscribe to an equivalent number of equity shares of face value of Rs 2 each at price of Rs 29.25 per warrant (including premium of Rs 27.25 per warrant). As per the terms of allotment, the Company has received subscription money equivalent to 25% of the issue price and the balance 75% shall be paid by the warrant holder at the time of allotment of equity shares pursuant to exercise of option. Of the above, 36,50,000 Convertible Warrants have been converted into equivalent number of equity shares during the year and the balance 75% subscription money payable by the warrant holder at the time of allotment of equity shares pursuant to exercise of option have been received by the Company.

44. Employee benefits

(i) Defined contribution plans:

The Group makes contributions, determined as a specified percentage of employees salaries, in respect of qualifying employees towards provident fund, employees state insurance scheme and labour welfare scheme, which are defined contribution plans. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The contributions are charged to the statement of profit and loss as they accrue. The amount recognized as an expense towards contribution to provident and other funds for the year aggregated to Rs. 128.31 lakhs (31 March 2022: Rs 106.08 lakhs).

(ii) Defined benefit plans:

The Company operates an unfunded post-employment defined benefit plan that provides for gratuity benefit. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive gratuity at 15 days salary (salary last drawn) for each completed years of service at the time of retirement / exit.

The Company determines the gratuity liability based on the actuarial valuation using Projected Unit Credit Method by an Independent firm of Actuaries that is registered with The Institute of Actuaries of India.

The following table summarizes the position of obligation relating to gratuity plan:

Reconciliation of Defined Benefit Obligation ("DBO")

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Present value of DBO at start of the year	247.73	205.14
Current service cost	43.70	40.64
Interest cost	17.84	14.15
Benefits paid	(17.14)	(11.73)
Re-measurements		
Actuarial loss / (gain) from changes in financial assumptions	-	(8.20)
Actuarial loss / (gain) from experience over the past year	(18.14)	7.73
Present value of DBO at end of the year	**273.99**	**247.73**

Net Liability / (Asset) recognised in the Balance Sheet

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Present value of DBO	273.99	247.73
Fair value of plan assets	-	-
Liability / (Asset) recognised in the Balance Sheet	**273.99**	**247.73**

Expense recognised in the statement of profit and loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	43.70	40.64
Net interest on net defined benefit liability / (asset)	17.84	14.15
	61.54	**54.79**

(All amounts are in INR Lakhs, unless otherwise stated)

Income / (Loss) recognised in other comprehensive income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial (loss) / gain from changes in financial assumptions	-	(8.20)
Actuarial (loss) / gain from experience over the past year	(18.14)	7.73
Total income / (loss)	**(18.14)**	**(0.47)**

Actuarial assumptions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salary growth rate	8% p.a.	8% p.a.
Discount rate	7.2% p.a.	7.2% p.a.
Interest rate on Net DBO	7.2% p.a.	6.9% p.a.
Withdrawal rate	2% p.a.	2% p.a.
Mortality rates	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Weighted average duration of the obligation	11 years	12 years

Experience adjustments

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Defined benefit obligation	273.99	247.73
Funded Status [Surplus/ (Deficit)]	(273.99)	(247.73)
Exp. Adj. on plan liabilities: (gain) / loss	(18.14)	7.73
Exp. Adj. on plan assets: gain / (loss)	NA	NA

Sensitivity analysis

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

Particulars	For the year ended 31 March 2023	
	Increases 1%	**Decreases 1%**
Salary growth rate	DBO increases by Rs 30.77 lakhs	DBO decreases by Rs. 26.87 lakhs
Discount rate	DBO decreases by Rs 26.83 lakhs	DBO increases by Rs 31.31 lakhs
Withdrawal rate	DBO decreases by Rs 2.76 lakhs	DBO increases by Rs 3.04 lakhs
Mortality (increase in expected lifetime by 1 year)	DBO increases by Rs 0.03 lakhs	NA
Mortality (increase in expected lifetime by 3 years)	DBO increases by Rs 0.10 lakhs	NA

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2022	
	Increases 1%	Decreases 1%
Salary growth rate	DBO increases by Rs 28.64 lakhs	DBO decreases by Rs. 24.48 lakhs
Discount rate	DBO decreases by Rs 24.44 lakhs	DBO increases by Rs 29.16 lakhs
Withdrawal rate	DBO decreases by Rs 2.58 lakhs	DBO increases by Rs 2.83 lakhs
Mortality (increase in expected lifetime by 1 year)	DBO increases by Rs 0.03 lakhs	NA
Mortality (increase in expected lifetime by 3 years)	DBO increases by Rs 0.09 lakhs	NA

The sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

Risk exposures:

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

(A) Salary Increases: Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

(B) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

(C) Withdrawals: Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

(D) Mortality & disability: Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

The expense recognised in the statement of profit and loss towards gratuity includes gratuity expense of Rs 0.45 lakhs for the year ended 31 March 2023 (31 March 2022: Rs 0.78 lakhs) and provision for gratuity liability includes gratuity liability of Rs 0.45 lakhs as at 31 March 2023 (31 March 2022: Rs 3.05 lakhs) of a subsidiary, Narhari Engineering Works, a partnership firm, where the liability is recognised based on management estimates.

(iii) **Other long-term employee benefits:**

Compensated absences

The compensated absences cover the Group's liability for earned leave.

The Group has recognised an amount of Rs. 51.01 lakhs (31 March 2022: Rs. 33.38 lakhs) as an expense towards compensated absences and included in "Employee benefits expense" in the Statement of Profit and Loss. The Company has determined the liability for compensated absences based on the actuarial valuation using Projected Unit Credit Method

(All amounts are in INR Lakhs, unless otherwise stated)

45 Related party disclosures

A) Name of related parties

(I) Parent Company

KDU Enterprises Private Limited

(II) Other related parties

(a) Partnership firms in which directors are partners*

DKM Precision Engineers

Philins Industrial Corporation

(b) Enterprises in which directors have significant influence*

KDU Marine Equipment Trading and Maintenance LLC

KDU Worldwide Technical Services Ghana Private Limited

Mcgeoch Marine Electricals Private Limited

Switch N Control Gears Private Limited

(III) Key management personnel and relatives

(a) Whole-time directors

Mr. Vinay Uchil, Chairman and Executive Director

Mr. Venkatesh Uchil, Managing Director

Mr. Shailendra Shukla, Executive Director (w.e.f. 30 June 2022) #
does not draw any remuneration from the Company.

(b) Non-whole-time directors

Mr. Shailendra Shukla, Non Executive Independent Director (upto 29 June 2022)

Mr. Madan Pendse, Non Executive Independent Director

Mr. Nikunj Mishra, Non Executive Independent Director

Mr. Vikas Jaywant, Non Executive Independent Director

Mr. Mohan Rao, Non Executive Independent Director

Ms. Archana Rajagopalan, Non Executive Independent Director

Ms. Tanuja Pudhierkar, Non Executive Non Independent Director

(c) Executive officers

Ms. Namita Sethia, Chief Financial Officer (upto 30 July 2022)

Mr. U.M. Bhakthavalsalan, Chief Financial Officer (w.e.f. 04 August 2022)

Ms. Mitali Ambre, Company Secretary and Compliance Officer

(d) Relatives

Ms. Rashmi Uchil, Wife of Mr. Vinay Uchil

Ms. Reshma Uchil, Wife of Mr. Venkatesh Uchil

* Restricted to entities with whom the Company has transactions during the reporting years or balances as at the end of reporting years.

(All amounts are in INR Lakhs, unless otherwise stated)

B) Related party transactions during the year

Particulars		For the year ended 31 March 2023	For the year ended 31 March 2022
a)	**Lease rent payment**		
	KDU Enterprises Private Limited	273.43	277.89
	Philins Industrial Corporation	39.22	35.40
	Ms. Rashmi Uchil	9.00	9.00
b)	**Rental income**		
	Switch N Control Gears Private Limited	15.57	12.74
c)	**Professional fees**		
	Ms. Rashmi Uchil	9.00	4.50
	Switch N Control Gears Private Limited	-	50.14
d)	**Purchases**		
	KDU Enterprises Private Limited	156.17	113.42
	KDU Marine Equipment Trading and Maintenance LLC	11.40	0.50
	Philins Industrial Corporation	12.02	4.77
	Switch N Control Gears Private Limited	166.02	126.37
	Mcgeoch Marine Electricals Private Limited	2.28	-
e)	**Commissioning expenses**		
	KDU Marine Equipment Trading and Maintenance LLC	9.34	-
f)	**Sales**		
	Mcgeoch Marine Electricals Private Limited	27.14	82.41
	KDU Marine Equipment Trading and Maintenance LLC	15.77	39.41
g)	**Advance to suppliers received back**		
	Mcgeoch Marine Electricals Private Limited	-	18.07
	Philins Industrial Corporation	-	23.98
	DKM Precision Engineers	-	300.00
h)	**Sale of intellectual property**		
	Switch N Control Gears Private Limited	-	60.20
i)	**Corporate guarantee fees**		
	KDU Enterprises Private Limited	28.93	26.82
j)	**Bad debts written off**		
	KDU Worldwide Technical Services Ghana Private Limited	-	5.81
k)	**Transactions with key management personnel and relatives**		
	Salaries and other employee benefits to whole-time directors, executive officers and relatives *	189.29	152.19
	Director sitting fees to non-executive / independent directors	5.50	5.55

* As the future liability for gratuity and compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above.

Note:

Amounts of transactions during the year pertaining to statement of profit and loss are gross of taxes, wherever applicable.

(All amounts are in INR Lakhs, unless otherwise stated)

C) Outstanding balances as at year end

Particulars	As at 31 March 2023	As at 31 March 2022
a) Trade receivables		
DKM Precision Engineers	1.66	19.16
KDU Marine Equipment Trading and Maintenance LLC	-	61.33
KDU Worldwide Technical Services Ghana Private Limited	49.47	45.58
Mcgeoch Marine Electricals Private Limited	57.33	46.19
Switch N Control Gears Private Limited	-	32.38
b) Trade payables		
KDU Enterprises Private Limited	48.45	34.73
KDU Marine Equipment Trading and Maintenance LLC	4.26	0.51
Mcgeoch Marine Electricals Private Limited	2.28	-
c) Lease deposits		
KDU Enterprises Private Limited	288.00	285.93
Philins Industrial Corporation	48.00	45.51
Ms. Rashmi Uchil	7.20	7.04
d) Rent receivable		
Switch N Control Gears Private Limited	5.94	-
e) Payables to key management personnel and relatives		
Salaries and other employee benefits to whole-time directors, executive officers and relatives *	-	2.02
Director sitting fees to non-executive / independent directors	1.22	0.95

* As the future liability for gratuity and compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above.

(All amounts are in INR Lakhs, unless otherwise stated)

46. Leases

The following is the break-up of lease liabilities as at reporting date

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current	57.27	59.57
Current	0.88	68.23
	58.15	**127.80**

The following is the movement of lease liablities

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the start of the year	127.80	380.10
Lease rent payment	(77.48)	(278.23)
Finance cost incurred	7.83	25.93
Balance at the end of the year	**58.15**	**127.80**

Amount recognized in statement of profit and loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on lease liabilities	7.83	25.93
Depreciation on right-of-use assets	91.15	279.09
Expense relating to short-term leases and low value assets	315.59	105.51
	414.57	**410.53**

The maturity analysis of lease liabilities is disclosed in Note 47.

45 Segment information

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker ("CODM"), in deciding how to allocate resources and assessing performance. The Board of Directors of the Group are identified as the CODM. Based on the nature of products and services, the risk and return profile of individual business and the internal business reporting systems, the Group has identified its reportable segments as under:

a. Electricals and Electronics

b. Solar

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A. Segment revenue		
(a) Electricals and Electronics	44,246.85	37,402.78
(b) Solar	38.59	230.08
Revenue from operations	**44,285.44**	**37,632.86**
B. Segment results		
(a) Electricals and Electronics	3,307.51	2,599.83
(b) Solar	(223.25)	(393.38)
Total	**3,084.26**	**2,206.45**
Less: Finance costs	(994.13)	(728.14)
Add: Other unallocable income net of unallocable expenses	417.16	465.74
Profit before tax	**2,507.29**	**1,944.05**

(All amounts are in INR Lakhs, unless otherwise stated)

Assets and liabilities used in the Group's business are not identified to any of the reportable segments as these are used interchangeably between segments. The Group believes that it is currently not practicable to provide segmental disclosure relating to total assets and liabilities since a meaningful segregation of the available data could be onerous.

Information about major customers

There are 2 (31 March 2022: 2) customers contributing in excess of 10% of the total revenue of the Group amounting to Rs 10,533.72 lakhs for the year ended 31 March 2023 (31 March 2022: Rs 10,823.66 lakhs).

48. Financial instruments

The classification of each category of financial instruments and their carrying amounts are as below:

Particulars	As at 31 March 2023	As at 31 March 2022
Financial assets measured at amortized cost:		
Trade receivables ^	22,609.27	17,217.98
Cash and cash equivalents ^	291.71	144.26
Bank balances other than cash and cash equivalents above ^	1,643.74	759.57
Loans ^	852.75	807.44
Other financial assets ^	2,742.67	816.79
Financial assets measured at fair value through profit or loss:		
Non current investments ^	345.78	325.44
Total financial assets	**28,485.92**	**20,071.48**
Financial liabilities measured at amortized cost:		
Borrowings ^	6,511.36	3,533.80
Lease liabilities ^	58.15	127.80
Trade payables ^	14,547.69	12,319.19
Other financial liabilities ^	479.27	556.46
Total financial liabilities	**21,596.47**	**16,537.25**

There are no financial instruments that have been classified as Fair Value through Other Comprehensive Income (FVTOCI).

^ Fair values for these financial instruments have not been disclosed because their carrying amount are a reasonable approximation of their fair values.

Fair value hierarchy

Financial assets and liabilities measured at fair value

Particulars	Level 1	Level 2	Level 3	Total
As at 31 March 2023				
Financial assets:				
Non current investments:				
Investment in other companies	-	-	345.78	345.78
As at 31 March 2022				
Financial assets:				
Non current investments:				
Investment in other companies	-	-	325.44	325.44

(All amounts are in INR Lakhs, unless otherwise stated)

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Financial instruments - risk management

The Group has exposure to the following risks arising from financial instruments: credit risk (refer note (b) below); liquidity risk (refer note (c) below) and market risk (refer note (d) below):

(a) Risk management framework

The board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The board oversees how management monitors compliance with the Group’s risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(b) Credit risk

Credit risk is the risk that a counter party fails to discharge its obligation to the Group. The maximum credit risk comprises the carrying amounts of the financial assets. The Group's exposure to credit risk arises mainly from cash and cash equivalents, other bank balances, trade receivables, loans and other financial assets. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

(i) Credit risk management

Credit risk rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Credit rating	Particulars	As at 31 March 2023	As at 31 March 2022
Low credit risk	Cash and cash equivalents, other bank balances, trade receivables, loans and other financial assets.	28,140.14	19,746.04

(ii) Credit risk exposure

Cash and cash equivalents and other bank balances

Credit risk related to cash and cash equivalents and other bank balances is managed by accepting highly rated banks and diversifying bank deposits and accounts in different banks. Management does not expect any losses from non-performance by these counterparties.

Loans and other financial assets measured at amortized cost

Loans and other financial assets measured at amortized cost includes lease deposits, staff advances, interest accrued on deposits, loans and other receivables. Credit risk related to these is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensures that amounts are within defined limits. The expected credit loss on these financial instruments is expected to be insignificant.

(All amounts are in INR Lakhs, unless otherwise stated)

Trade receivables

Credit risk arise from possibility that customer may default on its obligation to make timely payments, resulting into financial loss. The maximum exposure to the credit risk is primarily from trade receivables. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates.

Reconciliation of allowance for expected credit loss

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	**134.67**	**146.29**
Change in allowance for expected credit loss:		
Changes in allowance for expected credit loss due to bad debts	-	-
Allowance for expected credit loss written back (net)	(23.35)	(11.62)
	(23.35)	**(11.62)**
Closing balance	**111.32**	**134.67**

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to settle or meet its obligations on time. The Group's primary sources of liquidity are cash generated from operations. The cash flows from operating activities are driven primarily by operating results and changes in the working capital requirements.

The Group believe that its liquidity position is adequate to fund the operating and investing needs and to provide with flexibility to respond to further changes in the business environment.

Maturities of financial liabilities

Particulars	Carrying amount	Total	On demand	0–12 months	1–5 years	> 5 years
As at 31 March 2023						
Borrowings	6,511.36	6,606.93	3,659.98	629.43	1,498.10	819.41
Lease liabilities	58.15	113.35	-	7.05	30.94	75.36
Trade payables	14,547.69	14,547.69	-	14,547.69	-	-
Other financial liabilities	479.27	479.27	20.91	350.36	-	108.00
Total	**21,596.47**	**21,747.24**	**3,680.89**	**15,534.53**	**1,529.04**	**1,002.77**

Particulars	Carrying amount	Total	On demand	0–12 months	1–5 years	> 5 years
As at 31 March 2022						
Borrowings	3,533.80	3,543.09	2,650.85	443.69	448.55	-
Lease liabilities	127.80	195.06	-	81.72	37.98	75.36
Trade payables	12,319.19	12,319.19	-	12,319.19	-	-
Other financial liabilities	556.46	556.46	20.92	535.54	-	-
Total	**16,537.25**	**16,613.79**	**2,671.77**	**13,380.14**	**486.53**	**75.36**

(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, which will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i) Foreign currency risk

The transactions of the Group are denominated in both Indian rupees and foreign currencies and accordingly, the Group is exposed to foreign exchange risk in relation to operating activities (when revenue or expense is denominated in a foreign currency) arising from foreign currency transactions.

(All amounts are in INR Lakhs, unless otherwise stated)

Foreign currency risk exposure

Particulars of unhedged foreign currency exposure :

Particulars		As at 31 March 2023		As at 31 March 2022	
		Amount in Foreign Currency	Amount equivalent in INR Lakhs	Amount in Foreign Currency	Amount equivalent in INR Lakhs
Foreign currency receivables					
- representing advances	USD	12,519	10.37	18,11,789	1,362.47
	EURO	50,720	46.16	32,388	26.91
- representing trade receivables	USD	10,03,998	816.95	5,58,983	419.07
	EURO	10,200	8.98	37,095	30.83
	GBP*	1,800	1.80	-	-
Foreign currency payable					
representing trade payables	AED*	18,500	4.26	1,493	0.32
	USD	2,87,688	238.41	4,66,312	356.59
	EURO	11,73,148	1,067.68	7,68,766	660.60
	GBP*	11,194	11.58	7,767	7.84
- representing advances	USD	2,62,331	213.46	1,16,007	88.71
	EURO	1,19,887	105.58	-	-
	JPY*	3,78,000	2.30	-	-
Exchange Earners' Foreign Currency (EEFC) account	EURO	-	-	118	0.10
	USD	201	0.16	2,010	1.50
Foreign currency notes	EURO	403	0.37	75	0.06
	USD	41	0.03	322	0.24

* The Group does not expect any change in the exchange rate of AED / GBP / JPY and INR, resulting into any significant impact to the financial numbers.

Sensitivity to risk

Particulars	Impact of profit - Increase / (decrease)	
	As at 31 March 2023	As at 31 March 2022
USD Sensitivity		
INR/USD - Increase by 5% (31 March 2022 -5%)	18.78	66.82
INR/USD - Decrease by 5% (31March 2022 - 5%)	(18.78)	(66.82)
Euro Sensitivity		
INR/EURO - Increase by 5% (31 March 2022 - 5%)	(55.89)	(30.14)
INR/EURO - Decrease by 5% (31 March 2022 - 5%)	55.89	30.14

ii) 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. The Group's exposure to market risk for changes in interest rates primarily relates to borrowings.

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowings	6,345.67	3,308.01
Fixed rate borrowings	165.69	225.79
Total borrowings	**6,511.36**	**3,533.80**

(All amounts are in INR Lakhs, unless otherwise stated)

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Particulars	Impact on profit -Increase / (decrease)	
	100 bp increase	100 bp decrease
Variable rate instrument as at 31 March 2023	(63.46)	63.46
Variable rate instrument as at 31 March 2022	(33.08)	33.08

49. Capital management

The funding requirements of the Group are met through a mixture of equity shares and borrowings. The Group's policy is to use current and non-current borrowings to meet anticipated funding requirements.

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to stakeholders through optimisation of debt and equity balance.

The Adjusted net debt to total equity ratio at the end of the reporting period was as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Total borrowings	6,511.36	3,533.80
Lease liabilities	58.15	127.80
Less: Cash and cash equivalent and other bank balances	(1,935.45)	(903.83)
Adjusted net debt	**4,634.06**	**2,757.77**
Total equity	**21,479.75**	**18,158.95**
Adjusted net debt to total equity ratio	**0.22**	**0.15**

50 Contingent liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
a. Bank guarantees towards advances, liquidated damages and other contractual / legal obligations reduced by an amount of Rs 270.10 lakhs (31 March 2022: Rs 1,166.85 lakhs) towards the counter bank guarantee received from sub-contractors	9,325.10	6,534.48
b. Letter of credit opened in favour of suppliers	1,252.12	815.31
c. Bills discounted with bank	-	1,142.36
d. Disputed tax liabilities [net of amount deposited under protest Rs 1.90 lakhs (31 March 2022: Rs Nil)] {refer note (i)}	164.73	112.88
e. Custom duty [net of amount deposited under protest Rs 65.00 lakhs (31 March 2022: Rs 65.00 lakhs)] {Refer note (ii)}	67.62	67.62

(All amounts are in INR Lakhs, unless otherwise stated)

Notes :

(i) The various disputed tax litigations are as under :

Particulars	Period to which it relates	As at 31 March 2023	As at 31 March 2022
a. Income Tax			
Disallowances / additions / demand raised by the income tax department pending before various authorities / appellate authorities [net of amount deposited under protest Rs 1.08 lakhs (31 March 2022: Rs Nil)]	AY 13-14 to AY 19-20 and AY 21-22 (31 March 2022: AY 13-14 to AY 16-17 and AY 18-19)	67.26	18.90
b. Income Tax (Indian Subsidiary) Disallowances / additions made by the income tax department pending before various authorities / appellate authorities	AY 06-07 to AY 11-12 and AY 18-19 (31 March 2022: AY 06-07 to AY 11-12 and AY 18-19)	20.40	20.40
c. Sales Tax / VAT			
Demands raised by Sales tax / VAT department pending before various authorities / appellate authorities [net of amount deposited under protest Rs 0.82 lakhs (31 March 2022: Rs Nil)]	FY 09-10 and FY 16-17 (31 March 2022: FY 09-10 and FY 16-17)	77.07	71.12
d. Goods & Service Tax			
Demands raised by GST department pending before various authorities / appellate authorities	NA (31 March 2022: FY 17-18)	-	2.46
		164.73	**112.88**

The Group is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the consolidated financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceedings will not have a material adverse effect on the Group's financial position and results of operations.

(ii) The Company has received a demand order dated 31.08.2020 from the office of The Commissioner of Customs raising a demand of Rs 120.62 lakhs on the Group u/s 28(8) of the Customs Act, 1962 read with section 5(1) of IGST Act, 2017 with regards to classification under incorrect CTH of copper busbar imported by the Group during the period from 13.08.2014 to 30.10.2018. The order also imposes a penalty of Rs 12 lakhs on the Group and interest u/s 28AA of the Customs Act, 1962. The amount disclosed above is exclusive of interest as the same is not currently quantifiable. The Group has filed an appeal against the said order on 23.10.2020. Based on the legal opinion obtained by the Group from an independent firm of advocates, the management believes that the ultimate outcome of the proceedings will not have an adverse effect on the Group's financial position.

(iii) The Company in the year 2017 was awarded a contract for setting up a 50 MW capacity solar power project (the "Project") in Tamilnadu. The Company subcontracted the EPC portion to a sub-contractor. The obligations of the sub-contractor for the project were not completely fulfilled by the sub-contractor leading to dispute and arbitration between the Company and the sub-contractor. Both the parties have filed Statement of Defence and Counterclaim against each other. The matter is pending before arbitrator for cross examination. Pending arbitration, the impact of the outcome of the proceedings on these financial statements of the Company is currently not ascertainable.

(iv) During the previous year, pursuant to inspection by GST Department, the Company paid Rs. 120.14 lakhs towards GST on bank guarantee invocation. The Company during the year filed application for refund of the said amount which was rejected by the Department vide its order dated 27 January 2023. The Company has filed an appeal against the rejection order with the appellate authorities on 06 March 2023. Pending final outcome, the Company continues to carry the amount paid as balance with government authorities. The management believes that the ultimate outcome of the proceedings will not have an adverse effect on the Company's financial position.

(All amounts are in INR Lakhs, unless otherwise stated)

(v) The Supreme court of India had passed a judgement in the month of February 2019 relating to definition of wages under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Management is of the view that there are interpretative challenges on the application of the judgement. However, the Group is in the process of determining the possible impact and update its provision, if required. The Management does not expect any material impact of the same for financial year 2022-23 based on the present salary structure followed by the Group for its class of employees.

51 Capital and other commitments:

Estimated amount of capital contracts remaining to be executed and not provided for (net of advances)

Particulars	As at 31 March 2023	As at 31 March 2022
Property, plant and equipment	276.29	343.62

52 Interests in other entities

(a) Subsidiaries / Step down subsidiary

The Holding Company's subsidiaries at 31 March 2023 are set out below. The country of incorporation or registration is also their principal place of business.

Name of entity	Principal place of business / place of incorporation	Ownership interest held by Group		% of non controlling interest	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
Eltech Engineers Madras Private Limited	India	70.00%	70.00%	30.00%	30.00%
Narhari Engineering Works	India	99.00%	80.00%	1.00%	20.00%
Evigo Charge Private Limited (formerly known as Evigo Charging Consultants Private Limited)	India	98.88%	74.00%	1.12%	26.00%
MEL Power Systems FZC	United Arab Emirates	90.00%	90.00%	10.00%	10.00%
STI SRL, subsidiary of MEL Power Systems FZC	Italy	67.50%	67.50%	32.50%	32.50%
Xanatos Marine Ltd	Canada	75.00%	-	25.00%	-

(b) Non controlling interest

Set out below is summarised financial information for each subsidiary that has non-controlling interests. The amounts disclosed for the subsidiaries are before inter-company eliminations.

Summarised balance sheet	As at 31 March 2023					
	Eltech Engineers Madras Private Limited	Narhari Engineering Works	MEL Power Systems FZC	STI SRL	Evigo Charge Private Limited	Xanatos Marine Ltd.
Current assets	6.87	1,600.59	4,058.41	4,314.04	119.81	201.83
Current liabilities	253.08	766.19	1,327.97	3,984.80	470.10	130.02
Net current assets	**(246.21)**	**834.40**	**2,730.44**	**329.24**	**(350.29)**	**71.81**
Non-current assets	4.28	331.79	895.41	1,248.15	67.39	2.42
Non-current liabilities	-	-	-	-	-	421.20
Net non-current assets	**4.28**	**331.79**	**895.41**	**1,248.15**	**67.39**	**(418.78)**
Net assets	**(241.93)**	**1,166.19**	**3,625.85**	**1,577.39**	**(282.90)**	**(346.97)**
Accumulated Non Controlling Interest	**(72.58)**	**21.62**	**362.58**	**512.65**	**(3.17)**	**(86.74)**

(All amounts are in INR Lakhs, unless otherwise stated)

Summarised balance sheet	As at 31 March 2022				
	Eltech Engineers Madras Private Limited	Narhari Engineering Works	MEL Power Systems FZC	STI SRL	Evigo Charge Private Limited
Current assets	7.22	1,417.46	3,907.56	4,449.32	36.22
Current liabilities	274.04	780.38	1,443.08	4,050.10	41.69
Net current assets	**(266.82)**	**637.08**	**2,464.48**	**399.22**	**(5.47)**
Non-current assets	3.97	315.64	828.67	1,078.71	21.71
Non-current liabilities	-	-	-	-	-
Net non-current assets	**3.97**	**315.64**	**828.67**	**1,078.71**	**21.71**
Net assets	**(262.85)**	**952.72**	**3,293.16**	**1,477.93**	**16.24**
Less: Additional capital contribution by the Company over profit sharing ratio	-	(279.52)	-	-	-
Less: Contribution towards preference share capital by the Company	-	-	-	-	**(69.04)**
Net assets for Non Controlling Interest attribution	**(262.85)**	**673.20**	**3,293.16**	**1,477.93**	**(52.80)**
Accumulated Non Controlling Interest	**(78.86)**	**134.64**	**329.32**	**480.33**	**(13.73)**

Summarised Statement of profit and loss	For the year ended 31 March 2023					
	Eltech Engineers Madras Private Limited	Narhari Engineering Works	MEL Power Systems FZC	STI SRL	Evigo Charge Private Limited	Xanatos Marine Ltd
Revenue from operations	-	2,210.81	1,137.37	2,316.62	140.66	-
Profit / (Loss) for the year	20.91	229.27	64.95	6.89	(330.26)	(35.16)
Other comprehensive income	-	-	267.73	(129.29)	-	2.01
Total comprehensive income	**20.91**	**229.27**	**332.68**	**(122.40)**	**(330.26)**	**(33.15)**
Allocated to Non Controlling Interest	**6.27**	**32.33**	**33.27**	**(59.54)**	**(58.01)**	**(8.29)**

Summarised Statement of profit and loss	For the year ended 31 March 2022				
	Eltech Engineers Madras Private Limited	Narhari Engineering Works	MEL Power Systems FZC	STI SRL	Evigo Charge Private Limited
Revenue from operations	6.17	1,382.64	1,333.61	2,881.81	42.85
Profit / (Loss) for the year	13.34	129.88	64.48	14.28	(42.25)
Other comprehensive income	-	-	(117.14)	38.04	-
Total comprehensive income	**13.34**	**129.88**	**(52.66)**	**52.32**	**(42.25)**
Allocated to Non Controlling Interest	**4.01**	**25.98**	**(5.27)**	**17.01**	**(10.98)**

Summarised Cash flows	For the year ended 31 March 2023					
	Eltech Engineers Madras Private Limited	Narhari Engineering Works	MEL Power Systems FZC	STI SRL	Evigo Charge Private Limited	Xanatos Marine Ltd
Cash flow from operating activities	(0.26)	218.43	137.21	261.55	(62.56)	6.24
Cash flow from investing activities	-	(42.11)	-	(295.94)	(54.72)	-
Cash flow from financing activities	0.19	(23.38)	(108.27)	-	117.69	-
Net Increase/(decrease) in cash and cash equivalents	**(0.07)**	**152.94**	**28.94**	**(34.39)**	**0.41**	**6.24**
Allocated to Non Controlling Interest	**(0.02)**	**1.53**	**2.89**	**(11.18)**	**0.00**	**1.56**

Notes to the Consolidated Financial Statement
for the year ended 31 March 2023

(All amounts are in INR Lakhs, unless otherwise stated)

Summarised Cash flows	For the year ended 31 March 2022				
	Eltech Engineers Madras Private Limited	Narhari Engineering Works	MEL Power Systems FZC	STI SRL	Evigo Charge Private Limited
Cash flow from operating activities	0.86	394.08	273.66	193.03	(23.26)
Cash flow from investing activities	60.22	(26.53)	-	(366.83)	24.61
Cash flow from financing activities	(63.16)	(342.00)	(342.94)		50.13
Net Increase/(decrease) in cash and cash equivalents	**(2.08)**	**25.55**	**(69.28)**	**(173.81)**	**51.48**
Allocated to Non Controlling Interest	**(0.62)**	**5.11**	**(6.93)**	**(56.49)**	**13.39**

53 Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III of the Companies Act 2013 :

Name of the entities	Net assets as on 31 March 2023 i.e. total assets minus total liabilities		Share in profit or (loss) for 31 March 2023		Share in other comprehensive income / (loss) for 31 March 2023		Share in total comprehensive income/ (loss) for 31 March 2023	
	As % of consolidated net assets	Amount	As % of consolidated Profit & Loss	Amount	As % of consolidated Profit & Loss	Amount	As % of consolidated Profit & Loss	Amount
Holding Company								
Marine Electricals (India) Limited	83.84%	18,007.83	116.10%	1,950.62	8.82%	13.58	107.09%	1,964.20
Subsidiaries / step down subsidiary								
Eltech Engineers Madras Private Limited	(1.13)%	(241.93)	1.24%	20.91	-	-	1.14%	20.91
Narhari Engineering Works	5.43%	1,166.19	13.65%	229.27	-	-	12.50%	229.27
Evigo Charge Private Limited (formerly known as Evigo Charging Consultants Private Limited)	(1.32)%	(282.90)	(19.66)%	(330.26)	-	-	(18.01)%	(330.26)
MEL Power Systems FZC	16.88%	3,625.85	3.87%	64.95	173.82%	267.73	18.14%	332.68
STI SRL	7.34%	1,577.39	0.41%	6.89	-83.94%	(129.29)	(6.67)%	(122.40)
Xanatos Marine Ltd	(1.62)%	(346.97)	(2.09)%	(35.16)	1.30%	2.01	(1.81)%	(33.15)
Non controlling interest	2.99%	642.55	(1.16)%	(19.46)	-22.40%	(34.51)	(2.94)%	(53.97)
Less: Consolidation adjustments	(12.42)%	(2,668.27)	(12.36)%	(207.68)	22.40%	34.51	(9.44)%	(173.17)
Total	**100.00%**	**21,479.75**	**100.00%**	**1,680.08**	**100.00%**	**154.03**	**100.00%**	**1,834.11**

Name of the entities	Net assets as on 31 March2022 i.e. total assets minus total liabilities		Share in profit or (loss) for 31 March 2022		Share in other comprehensive income for 31 March 2022		Share in total comprehensive income for 31 March 2022	
	As % of consolidated net assets	Amount	As % of consolidated Profit & Loss	Amount	As % of consolidated Profit & Loss	Amount	As % of consolidated Profit & Loss	Amount
Holding Company								
Marine Electricals (India) Limited	79.39%	14,416.07	93.89%	1,246.64	(0.44)%	0.35	99.83%	1,246.99
Subsidiaries / step down subsidiary								
Eltech Engineers Madras Private Limited	(1.45)%	(262.85)	1.00%	13.34	-	-	1.07%	13.34
Narhari Engineering Works	5.25%	952.72	9.78%	129.88	-	-	10.40%	129.88
Evigo Charge Private Limited (formerly known as Evigo Charging Consultants Private Limited)	0.09%	16.24	(3.18)%	(42.25)	-	-	(3.38)%	(42.25)
MEL Power Systems FZC	18.14%	3,293.16	4.86%	64.48	148.75%	(117.14)	(4.22)%	(52.66)
STI SRL	8.14%	1,477.93	1.08%	14.28	(48.31)%	38.04	4.19%	52.32
Non controlling interest	3.86%	700.58	2.27%	30.10	(0.83)%	0.65	2.46%	30.75
Less: Consolidation adjustments	(13.41)%	(2,434.90)	(9.69)%	(128.64)	0.83%	(0.65)	(10.35)%	(129.30)
Total	**100.00%**	**18,158.95**	**100.00%**	**1,327.82**	**100.00%**	**(78.75)**	**100.00%**	**1,249.07**

(All amounts are in INR Lakhs, unless otherwise stated)

54 Trade receivable ageing:

Ageing for trade receivables - outstanding as at 31 March 2023

Particulars	Non- Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed trade receivable - considered good	2,396.03	15,106.87	987.92	660.33	399.74	3,015.94	**22,566.83**
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	**-**
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	**-**
Disputed trade receivable - considered good	-	-	-	-	-	135.26	**135.26**
Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	**-**
Disputed trade receivable - credit impaired	-	-	-	-	-	-	**-**
Total	**2,396.03**	**15,106.87**	**987.92**	**660.33**	**399.74**	**3,151.20**	**22,702.09**
Less: Allowance for expected credit loss							**92.82**
Total trade receivables							**22,609.27**

Ageing for trade receivables - outstanding as at 31 March 2022

Particulars	Non- Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed trade receivable - considered good	7,045.38	5,797.22	604.75	409.27	500.36	2,859.82	**17,216.80**
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	**-**
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	**-**
Disputed trade receivable - considered good	-	-	-	-	-	117.35	**117.35**
Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	**-**
Disputed trade receivable - credit impaired	-	-	-	-	-	-	**-**
Total	**7,045.38**	**5,797.22**	**604.75**	**409.27**	**500.36**	**2,977.17**	**17,334.15**
Less: Allowance for expected credit loss							**116.17**
Total trade receivables							**17,217.98**

(All amounts are in INR Lakhs, unless otherwise stated)

55 Trade payable ageing:

Ageing for trade payables - outstanding as at 31 March 2023

Particulars	Non- Due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	-	147.26	-	-	0.12	**147.38**
Others	-	12,093.87	296.42	389.38	1,356.72	**14,136.39**
Disputed dues -MSME	-	-	-	-	-	**-**
Disputed dues - Others	-	-	-	-	103.87	**103.87**
Total	**-**	**12,241.13**	**296.42**	**389.38**	**1,460.71**	**14,387.64**
Add: Accrued expenses						**160.05**
Total trade payables						**14,547.69**

Ageing for trade payable - outstanding as at 31 March 2022

Particulars	Non- Due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	-	81.22	1.62	4.80	-	**87.64**
Others	-	9,847.43	583.77	525.75	994.34	**11,951.29**
Disputed dues -MSME	-	-	-	-	-	**-**
Disputed dues - Others	-	-	-	-	104.37	**104.37**
Total	**-**	**9,928.65**	**585.39**	**530.55**	**1,098.71**	**12,143.30**
Add: Accrued expenses						**175.89**
Total trade payables						**12,319.19**

56 Capital work in progress ageing

As at 31 March 2023	Amount in Capital work in progress for a period of				
Particulars	**Less than 1 Years**	**1-2 Years**	**2-3 Years**	**More than 3 Years**	**Total**
Projet in progress	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

As at 31 March 2022	Amount in Capital work in progress for a period of				
Particulars	**Less than 1 Years**	**1-2 Years**	**2-3 Years**	**More than 3 Years**	**Total**
Projet in progress	198.79	-	-	-	198.79
Total	**198.79**	**-**	**-**	**-**	**198.79**

Note:

There is no project under Capital work in progress ageing whose completion is overdue or has exceeded its cost compared to its original plan.

(All amounts are in INR Lakhs, unless otherwise stated)

57 Intangible assets under development ageing

As at 31 March 2023	Amount in Capital work in progress for a period of				
Particulars	**Less than 1 Years**	**1-2 Years**	**2-3 Years**	**More than 3 Years**	**Total**
Project in progress	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

As at 31 March 2022	Amount in Capital work in progress for a period of				
Particulars	**Less than 1 Years**	**1-2 Years**	**2-3 Years**	**More than 3 Years**	**Total**
Project in progress	4.50	-	-	-	4.50
Total	**4.50**	**-**	**-**	**-**	**4.50**

Note:

There is no project under Capital work in progress ageing whose completion is overdue or has exceeded its cost compared to its original plan.

58 Subsequent events

There are no significant reportable subsequent events that have occurred after the reporting period till the date of this financial statements.

59 Additional regulatory information required by Schedule III

i) Details of benami property held:

The Group does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii) Wilful defaulter:

The Group is not declared wilful defaulter by any bank or Financial institution or other lender during the year.

iii) Relationship with struck off companies:

The Group does not have any transactions with companies struck off.

iv) Borrowing secured against current assets:

The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

v) Utilisation of borrowed funds and share premium:

A. The Company or its subsidiaries incorporated in India has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or its subsidiaries incorporated in India (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. The Company or its subsidiaries incorporated in India has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company or its subsidiaries incorporated in India shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(All amounts are in INR Lakhs, unless otherwise stated)

vi) Compliance with number of layers of companies:

The Group has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

vii) Valuation of Property, Plant and Equipment (including Right-of-use assets) and Intangible assets:

The Group has not revalued its property, plant and equipment (including Right-of-use assets) or intangible assets or both during the current or previous year.

60 Details of crypto currency or virtual currency:

The Group has not traded or invested in Crypto currency or Virtual currency during the financial year.

61 Undisclosed income:

The Group does not have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

62 In the opinion of the board of directors, assets, loans and advances have a value on realization in the ordinary course of the business at least equal to the amounts at which they are stated and provision for all known liabilities have been made.

63 The Group did not have any long-term contracts including derivative contracts for which there were any foreseeable losses as at 31 March 2023.

64 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

65 Disclosures pursuant to Ind AS 103 "Business Combinations”

Acquisition of Xanatos Marine Ltd ("Xanatos")

(i) On 4 January 2023, the Company completed acquisition of 75% stake in Xanatos. Post this transaction, Xanatos become a subsidiary company of the Group. It operates in maritime domain awareness solutions.

(ii) Assets acquired and liabilities recognised on the date of acquisition are as follows:

Particular	INR in lakhs	INR in lakhs
ASSETS		
Non-current assets		
Property, plant and equipment		**1.83**
Current assets		
Inventories	11.92	
Trade receivables	79.02	
Cash and cash equivalents	4.27	
Other financial assets	45.73	
Other current assets	6.54	**147.48**
Total assets		**149.31**

(All amounts are in INR Lakhs, unless otherwise stated)

Particular	INR in lakhs	INR in lakhs
LIABILITIES		
Non-current liabilities		
Borrowings		**317.82**
Current liabilities		
Trade payables	36.08	
Other financial liabilities	12.00	
Other current liabilities	18.76	**66.84**
Total liabilities		**384.66**
Net identifiable assets acquired		**(235.36)**

(iii) Calculation of Goodwill

Particulars	INR in lakhs
Cash consideration paid	1,216.86
Less: Net identifiable assets acquired	(235.36)
Less: Intangible assets recognised on acquisition	669.85
Goodwill	**782.36**

(iv) Goodwill is attributable to future growth of business out of synergies from this acquisition. The goodwill is not deductible for income tax purposes.

(v) Xanatos has reported revenue of Rs Nil and loss after tax of Rs 35.16 lakhs from the date of acquisition till 31 March 2023. Had the entity been acquired from 1 April 2022, they would have reported revenue of Rs 26.18 lakhs and loss after tax of Rs 108.01 lakhs during F.Y. 2022-23.

66 On 07 December 2022, Board of Directors of a subsidiary company, Evigo Charge Private Limited (formerly known as Evigo Charging Consultants Private Limited) ("Evigo"), has considered and approved allotment of 10,00,000 Equity Shares of face value of Rs 10 each upon conversion of 10,000 0.001% Compulsorily Convertible Preference Shares (CCPS) of Rs 1,000 each held by the Company in Evigo. Post the allotment of shares pursuant to conversion of CCPS, the shareholding of the Company in Evigo has increased from 71.04% to 98.88%.

67 Consequent to the approval by the Audit Committee by Circular Resolution and by the General Purpose Committee (GPC) of the Board of Directors in their respective meetings held on 23 September 2022, the Company has increased its % holding in one of its Subsidiary, Narhari Engineering Works, a partnership firm, by way of further acquisition of 19% holding from the existing partners for a consideration of Rs 197.93 lakhs based on the valuation report by a registered valuer, resulting in total holding of 99% post acquisition. The reconstituted partnership deed is entered between the parties w.e.f. 30 September 2022.

68 The Company during financial year 2017-18 paid to a supplier in China an advance of USD 8,00,000 carried at Rs 584.48 lakhs as at 31 March 2023 (31 March 2022: USD 8,00,000 carried at Rs 584.48 lakhs), for procurement of solar PV modules. The Company has initiated arbitration proceedings against the supplier by appointing an independent arbitration professional. Pending recovery of the advance paid or procurement of material against the said advance, the Company believes that this advance is recoverable and it continues to carry the said advance as unsecured and considered good under "Other current assets".

69 During the year, the Company became successful bidder in the e-auction dated 08 April 2022 conducted by a liquidator of the sole liquidation estate / premise of a corporate debtor under section 61 of the Insolvency and Bankruptcy Code, 2016. The Company purchased the said liquidation estate / premise vide sale certificate dated11 May 2022. The consideration paid by the Company amounted to Rs 1,160.00 lakhs and also incurred other expenditures amounting to Rs 177.80 lakhs as on 31 March 2023. The process of e-auction was challenged by another unsuccessful bidder in National Company Law Tribunal (NCLT). The entire e-auction process was set aside by NCLT vide its order dated 02 March 2023 as not in compliance with law. The Company has filed

(All amounts are in INR Lakhs, unless otherwise stated)

an appeal against the order of NCLT in National Company Law Appellate Tribunal (NCLAT) on 28 March 2023. Pending final outcome, the Company continues to carry total payments made towards the purchase of said liquidation estate / premise as capital advance.

70 Eltech Engineers Madras Private Limited, a subsidiary company ("Eltech"), has negative networth of Rs 241.94 lakhs and accumulated losses of Rs 271.94 lakhs as at 31 March 2023. Additionally, its current liabilities (Rs 253.08 lakhs) exceeded its current assets (Rs 6.87 lakhs) by Rs 246.21 lakhs. These conditions indicate the existence of material uncertainty about Eltech's ability to continue as a going concern. However, the standalone financial statements of Eltech have been prepared on a going concern basis as the Company has committed to provide all financial and other support to enable Eltech to operate as a going concern. The financial statements of Eltech are not material to the Group.

71 In case of subsidiaries incorporated outside India i.e. MEL Power Systems FZC & STI SRL and Narhari Engineering Works, India, a partnership firm (subsidiary), accounting policy with regards to depreciation on property, plant and equipment (tangible assets) and amortisation of intangible assets is different as compared to the written down value method adopted by the Company and other subsidiary incorporated in India. The consequential financial impact of adjustments on account of depreciation / amortisation that would be required to be made in the consolidated financial statements to ensure conformity with the Group's accounting policy for depreciation / amortisation is currently not ascertainable.

72 **Advance towards purchase of equity instruments**

(a) The Board of Directors of the Company on 22 October 2021 approved the investment towards acquisition of 75% paid-up equity share capital of Xanatos Marine Ltd ("Xanatos"), a Canadian Company. During the previous year, the Company has entered into Share Purchase Agreement ("SPA") dated 23 February 2022 with a non-resident individual (the "Vendor") to purchase 75 class "A" Common Shares ("Vendor's Shares") held by the Vendor in Xanatos and representing 75% of all the issued and outstanding shares of Xanatos for a total consideration of USD 1,550,000 (at a fair value of USD 20,667 per share). The total consideration was to be paid by the Company to the Vendor in tranches. During the previous year, the Company has paid USD 950,000 (equivalent Rs 731.66 lakhs). The transfer of shares to the Company was subject to fulfilment of conditions precedent as per SPA and payment of entire consideration. During the current year, the Company paid balance consideration of USD 600,000 and the acquisition was completed on 04 January 2023 on payment of final tranche by the Company towards the acquisition. Total purchase consideration paid by the Company in tranches towards the acquisition amounted to USD 15,50,000 (Equivalent Rs 1,216.86 lakhs).

(b) During the previous year, the Company has entered into Memorandum Of Understanding ("MOU") dated 07 May 2021 with an individual and his HUF to purchase their entire shareholding held in a Private Limited company engaged in marine electronic products. As per the terms of MOU, during the previous year, the Company subject to valuation of shares has agreed to lend Rs 100.00 lakhs as advance. Pending final due diligence and share valuation, the Company has recognised an interest income of Rs 12.07 lakhs on the said advance for the year ended 31 March 2023 (31 March 2022: Rs 9.73 lakhs).

73 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiary incorporated in India during the year ended 31 March 2023.

74 **Previous year's figures**

Previous year's figures have also been regrouped / recasted, wherever necessary, to conform to the current year's presentation.

As per our report of even date attached
For SAINI PATI SHAH & CO LLP
Chartered Accountants
Firm's Registration No: 137904W/W100622

For and on behalf of the Board of Directors
Marine Electricals (India) Limited

Som Nath Saini
Partner
Membership No: 093079

Venkatesh Uchil
Managing Director
DIN: 01282671

Vinay Uchil
Chairman and Executive Director
DIN: 01276871

U.M. Bhakthavalsalan
Chief Financial Officer

Mitali Ambre
Company Secretary and Compliance Officer

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

Place : Mumbai,
Date : 29 May 2023

Marine Electricals

CIN : L31907MH2007PL176443
B-1, Udyog Sadan 3, MIDC, Marol Industrial Area,
Andheri (E), Mumbai - 400 093.
Email ID : cs@marineelectricals.com
Website : www.marineelectreicals.com
Tel No.: 91-22-4033 4300