

# **Pioneering Progress, Delivering Success**



**Annual Report**  
**2023-24**

# Our mission is to be your digital partner

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.

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**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



**“We are more relevant now, than at any point in the past, to our customers, our people and our shareholders across the world.”**

**Mr. Vinay Uchil**

Chairman and Executive Director  
Marine Electricals (India) Limited

Dear Shareholders,

I am privileged to address you today as we reflect on our remarkable journey throughout the fiscal year 2024. Despite the challenges posed by dynamic and volatile global market conditions, our Group's geographical and business diversity, agile business model, and exceptional talent and hard work of our teams have enabled us to deliver outstanding performance. I am pleased to share with you on behalf of our Board of Directors an update on your Company's performance for FY 2023-24. Our current order book position standing at Rs. 6010 million approximately at end of FY 2023-2024 as compared to Rs. 4863 million in the FY 2022-2023, with the increase in portfolio of products to our customers we anticipate a further increase and robust order booking for FY 2024-25 as well. The Company's revenue for the year stood at Rs. 5337.27 million as against Rs. 3912.71 million in the previous financial year. The net profit for the year increased by 45.35% to Rs. 283.52 million as against Rs. 195.06 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, government 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 many Government schemes. 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.

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) and associated subsystems is also expected to expand.



## Message from Chairman's Desk

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-generation 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.

Maritime and Port Safety, Security; and also their logistics efficiency have become subjects of paramount importance. Marine Electricals therefore have rightly invested in the development of Maritime domain awareness solutions that include an array of products and services from port management solutions to vessel monitoring services and ensure maritime safety using advanced vessel traffic systems to monitor activities at sea. We expect this business segment to grow well.

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,

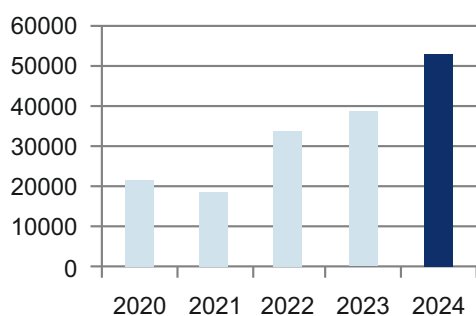
**Mr. Vinay Uchil**  
**Chairman & Executive Director**  
(DIN - 01276871)

## Financial Highlights

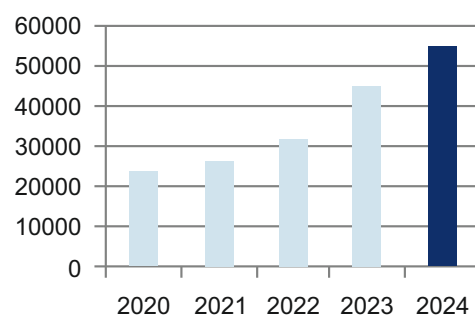
### Standalone:

Year	Revenue (In Rs. Lacs)	EBITDA (In Rs. Lacs)	PAT (In Rs. Lacs)	Net Worth (In Rs. Lacs)
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	4,111.26	1,950.62	18,007.83
2024	53,372.69	5,491.34	2,835.22	22,275.12

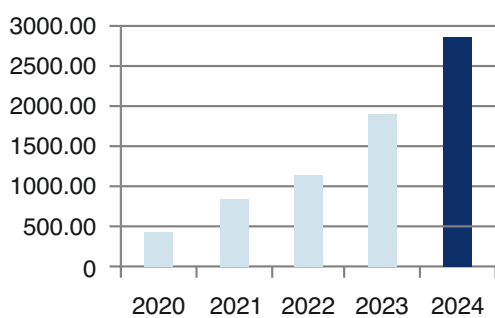
**Revenue** (₹ in Lacs)



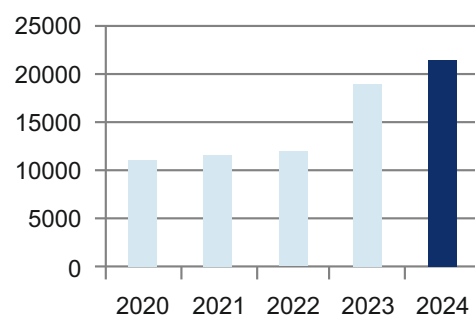
**EBITDA** (₹ in Lacs)



**PAT** (₹ In Lacs)



**Net worth** (₹ In Lacs)

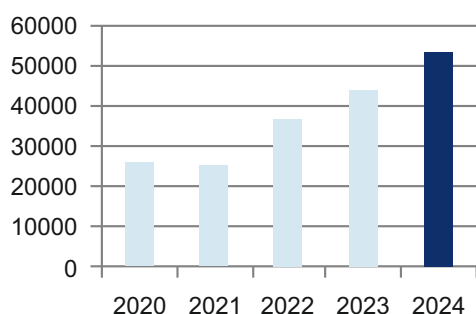


## Financial Highlights

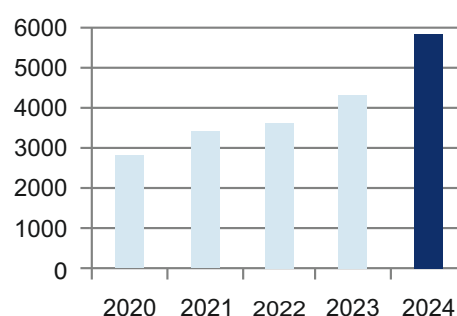
### Consolidated:

Year	Revenue (In Rs. Lacs)	EBITDA (In Rs. Lacs)	PAT (In Rs. Lacs)	Net Worth (In Rs. Lacs)
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
2024	62,212.07	5,906.56	2,576.33	25,550.20

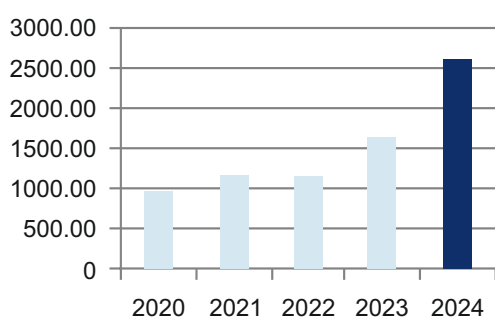
Revenue (₹ in Lacs)



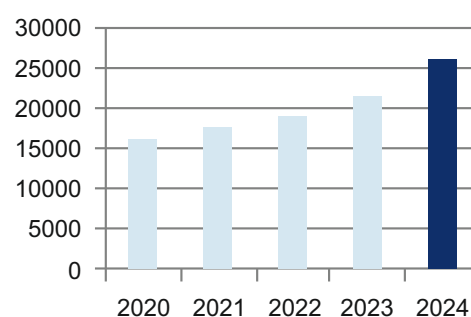
EBITDA (₹ in Lacs)



PAT (₹ In Lacs)



Net worth (₹ In Lacs)



## Board Of Directors



### Mr. Vinay Uchil

Chairman and Executive Director

Mr. Vinay Uchil, aged 53 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 in 1995 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 diversifying into different verticals i.e. Defense, Shipping, Marine & Non- Marine Sectors & Renewable Energy.



### Mr. Venkatesh Uchil

Managing Director

Mr. Venkatesh Uchil, aged 47 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

Mr. Shailendra Kumar Shukla, aged 56 years, is the Executive Director (Change in Designation from Non Executive Non Independent Director to Executive Director w.e.f 30<sup>th</sup> 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 73 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 51 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 68 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 66, 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 76 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 52 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)

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 known 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, 1<sup>st</sup> 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, 6<sup>th</sup> Floor, Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East) Mumbai - 400093

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

Tel No: 022-62638200 / 022-62638295

Email id: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

### CHIEF FINANCIAL OFFICER

Mr. U. M. Bhakthavalsalan

### BANKERS

Axis Bank

IndusInd Bank

ICICI Bank

State Bank of India

Kotak Bank

### COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Deep Shah  
(appointed w.e.f 14<sup>th</sup> February, 2024)

Ms. Mitali Ambre  
(27<sup>th</sup> February, 2021 to 13<sup>th</sup> December 2023)

### 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 17th Annual General Meeting (AGM) of Members of Marine Electricals (India) Limited (CIN: L31907MH2007PLC176443) (the 'Company') will be held on Friday, 27th September, 2024 at 3:00 P.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, 2024 together with the reports of the Board of Directors and the Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolutions as **ORDINARY RESOLUTIONS**:

- (a) **"RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."
- (b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2024 and the report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

#### 2. DECLARATION OF DIVIDEND

To Declare Final Dividend on equity shares of the Company for the Financial Year ended 31<sup>st</sup> March, 2024 and in this regard, to consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**.

**"RESOLVED THAT** approval be and is hereby accorded for declaration and payment of final dividend of ₹ 0.20 (i.e 10%) per equity share of the face value of ₹ 2 each fully paid up, of the Company, as recommended by the Board of Directors for the financial year ended 31st March 2024."

#### 3. RETIREMENT BY ROTATION:

To appoint a Director in place of Mr. Shailendra Shukla (DIN: 08049885), who retires by rotation and being eligible offers himself 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 Mr. Shailendra Shukla (DIN: 08049885) as Director, who is liable to retire by rotation."

### SPECIAL BUSINESS:

#### 4. TO CONSIDER RE-APPOINTMENT OF MR. VINAY UCHIL (DIN: 01276871) AS A CHAIRMAN AND EXECUTIVE DIRECTOR AND FIXATION OF REMUNERATION

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

**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17(6) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, (as amended from time to time) consent of Members of the Company be and is hereby accorded for the re-appointment and fixation of remuneration of Mr Vinay Krishna Uchil as Chairman & Executive Director, not liable to retire by rotation for a period of three years, with effect from 1st August, 2024 to 31st July, 2027 upon such terms & conditions including payment of remuneration, perquisites and benefits as are set out hereunder:

## Notice

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

### 5. TO CONSIDER RE-APPOINTMENT OF MR. VENKATESH UCHIL (DIN: 01282671) AS AN MANAGING DIRECTOR AND FIXATION OF REMUNERATION.

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

**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17(6) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, (as amended from time to time), the consent of Members of the Company be and is hereby accorded for the re-appointment and fixation of remuneration of Mr Venkatesh Uchil as Managing Director of the Company, not liable to retire by rotation for a period of three years, with effect from 1st August, 2024 to 31st July, 2027 upon such terms & conditions including payment of remuneration, perquisites and benefits as are set out hereunder:

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.



## Notice

**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 CONSIDER RE-APPOINTMENT OF MR. VIKAS JAYWANT (DIN: 06607484) AS AN INDEPENDENT DIRECTOR FOR A SECOND AND FINAL TERM OF 3 (THREE) YEARS EFFECTIVE FROM 23rd FEBRUARY, 2025 TILL 22nd FEBRUARY, 2028.**

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 Mr. Vikas Jaywant (DIN: 06607484) who was appointed as an Independent Director of the Company upto 23rd February, 2025 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 3 (three) years effective immediately after expiry of her current term on 23rd February, 2025 i.e. from 23rd February, 2025 till 22nd February, 2028.

**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.”

**7 TO CONSIDER RE-APPOINTMENT OF MR. SHAILENDRA SHUKLA (DIN: 08049885) AS EXECUTIVE DIRECTOR.**

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 152, 196, and any other applicable provisions of the Companies Act, 2013 and any other applicable provisions thereof and the rules made there under including any statutory modification(s) or re-enactment thereof for the time being in force, read with Schedule V to the Companies Act, 2013 and articles of association of the company and subject to necessary approval(s), permissions, consents and sanctions required if any by the statutory authority and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and rules made thereunder, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company consent of the shareholder be and is hereby accorded for the re-appointment of Mr. Shailendra Shukla (DIN: 08049885) as executive director of the Company for a period of 3 (Three) years with effect from 30th June, 2025 on the such terms and conditions in such manner as may be agreed between the Board of Directors and Mr. Shailendra Shukla.

**“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..”

**8 TO APPROVE MATERIAL REALTED PARTY TRANSACTION**

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

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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 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
Providing Security and/ or 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 including raw materials, finished products, scrap and capital goods.	Narhari Engineering Works (Partnership Firm Subsidiary of Marine Electricals (India) Limited (MEIL)	Mr. Vinay Uchil, Chairman & Executive Director,	20
Providing Security and/ or including raw materials, finished products, scrap and capital goods.	Xanatech Synergies Private Limited is the subsidiary company of Marine Electricals (India) Limited (MEIL)	Mr. Vinay Uchil, Chairman & Executive Director, Mr. Venkatesh Uchil, Managing Director and Ms. Tanuja Pudhierkar (Director)	50

**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.

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### 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 SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11th July 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October 2023 (collectively referred to as "SEBI Circulars") companies are allowed to hold AGM through video conference or other audio visual means ("VC/OAVM") upto 30th September 2024,. 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.
3. In terms of Section 152 of the Act, Mr. Shailendra Shukla (DIN: 08049885), Executive Director, shall retire by rotation at the ensuing AGM. Mr. Shailendra Shukla (DIN: 08049885) being eligible, offers himself for re-appointment.

The Board of Directors of the Company recommends re-appointment of Mr. Shailendra Shukla (DIN: 08049885).

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 2023-24 has been uploaded on the website of the Company at <https://www.marineelectricals.com/annual-report/> The Notice can also be accessed from the website of National Stock Exchange of India Limited (NSE) at [www.nseindia.com](http://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](http://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](mailto:cs@marineelectricals.com) not later than Thursday, 26th September, 2024.

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 **Friday, 20th September, 2024**.
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

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Client ID/folio number, PAN, mobile number at cs@marineelectricals.com from Friday, 20th September, 2024 (9:00 a.m. IST) to Tuesday, 24th September, 2024 (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 Saturday, 21st September, 2024 to Friday, 27th September, 2024 (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 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](mailto: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

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dividends are required to be 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 22nd September, 2024 through e-mail on [cs@marineelectricals.com](mailto:cs@marineelectricals.com). The same will be replied by the Company suitably.
19. Members seeking any information with regard to any matters to 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 Monday, 23rd September, 2024 at 9.00 a.m. and ends on Thursday, 26th September, 2024 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. Friday, 20th September, 2024 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 Friday, 20th September, 2024.
  - 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 Friday, 20th September, 2024.
  - 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 sent through e-mail and holding shares as of the cut-off date i.e. Friday, 20th September, 2024 may obtain the login ID and password by sending a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) 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](http://www.evoting.nsdl.com) or call at: (022) 4886 7000. 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. Friday, 20th September, 2024 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".



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- 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](http://www.marineelectricals.com) and on the website of NSDL [www.evoting.nsdl.com](http://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.

## Notice

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ 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 “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> 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 &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 <b>e-Voting service provider i.e. NSDL</b> 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 &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> 
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> </ol>

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Type of shareholders	Login Method
	<ol style="list-style-type: none"> <li>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 &amp; 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.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk Details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> 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.

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

- 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.

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2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

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

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- b) [Physical User Reset Password?](#) (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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.com](mailto:evoting@nsdl.com) 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](mailto:jigar.gandhi@jngandco.in) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). 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](http://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](http://www.evoting.nsdl.com) or call on : 022 – 4886 7000 or send a request to Ms. Pallavi Mhatre, Manager at [evoting@nsdl.com](mailto:evoting@nsdl.com)



## Notice

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@marineelectricals.com](mailto:cs@marineelectricals.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@marineelectricals.com](mailto:cs@marineelectricals.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.com](mailto:evoting@nsdl.com) 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@marineelectricals.com](mailto:cs@marineelectricals.com) from Friday, 20th September, 2024 (9:00 a.m. IST) to Tuesday, 24th September, 2024 (5:00 p.m. IST). The same will be replied by the company suitably.

## Notice

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.com](mailto:evoting@nsdl.com).  
Phone: 022 - 24994545
- B. Mr. Deep Shah, 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](mailto:cs@marineelectricals.com)  
Phone: 022 40334300
- C. Mr. Prasad Madiwale, DGM  
Bhagwan Bigshare Services Pvt. Ltd. (RTA)  
Registered Office: Office No S6-2, 6<sup>th</sup> Floor Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East) Mumbai - 400093,  
Email: [prasadm@bigshareonline.com](mailto:prasadm@bigshareonline.com)  
Phone: 022 62638261

**By Order of the Board of Directors**

**Mr. Vinay Uchil**  
**Chairman and Executive Director**  
**DIN: 01276871**

**Mumbai, 12<sup>th</sup> August 2024**

**Registered Office:**

B/1, Udyog Sadan NO.3, MIDC, Andheri (E), Mumbai - 400093

CIN : L31907MH2007PLC176443

Email ID : [cs@marineelectricals.com](mailto:cs@marineelectricals.com)

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

Tel. No : 91-22-4033 4300

## Notice

### 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. 4

The Nomination and Remuneration Committee and Board of Directors approved the terms and conditions for Re-Appointment and Remuneration of Mr. Vinay Krishna Uchil (DIN: 01276871) as Chairman and Executive Director of the Company not liable to retire by rotation for a period of 3 years, with effect from 1st August, 2024 to 31st July, 2027 upon such terms and conditions including payment of remuneration, perquisites and benefits. Following are the mandatory disclosures pursuant to provisions of Schedule V of the Companies Act, 2013, to justify the proposed remuneration paid to Chairman and Executive Director.

The additional information as required by Section II of Part II of Schedule V to the Act is given below:

#### General Information:

Sr. No	Particulars	Disclosures										
1.	Nature of Industry	Ship Building, Navy, Industries, Buildings, Solar Energy										
2.	Date of commencement of commercial production	In the year of 1978										
3.	Financial performance based on given indicators  - as per audited standalone financial statement for the financial year ended on 31st March 2024: (Amt in Lacs.)	<table><tr><th>Particulars</th><th>2023-24</th></tr><tr><td>Sales</td><td>53,372.69</td></tr><tr><td>Profit/(loss) after tax</td><td>2,835.22</td></tr><tr><td>Equity Capital</td><td>2,653.31</td></tr><tr><td>Reserve and Surplus</td><td>19,621.81</td></tr></table>	Particulars	2023-24	Sales	53,372.69	Profit/(loss) after tax	2,835.22	Equity Capital	2,653.31	Reserve and Surplus	19,621.81
Particulars	2023-24											
Sales	53,372.69											
Profit/(loss) after tax	2,835.22											
Equity Capital	2,653.31											
Reserve and Surplus	19,621.81											

#### II. Information about the appointee:

Sr. No.		
1.	<b>Background Details</b>	Mr. Vinay Uchil, a techno commercial, joined the Organization in the year 1992 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. 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..
2.	<b>Past remuneration*</b>	75,00,000 p.a
3.	<b>Recognition or awards</b>	N.A.
4.	<b>Job profile and his suitability</b>	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

## Notice

Sr. No.		
5.	<b>Remuneration proposed</b>	No Revision in Remuneration
6.	<b>Comparative remuneration profile with respect to industry, the size of the company, profile of Company, the position and person</b>	Looking into his experience and expertise in the Industry, the Board of Directors of the Company decided to appoint Mr. Vinay Uchil as Chairman and Executive Director of the Company. The remuneration paid to him is reasonable considering the prevailing emoluments in the industry for senior management with similar qualifications and experience
7.	<b>Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personal, if any:</b>	Mr. Vinay Uchil has no other relationship with the Company except the remuneration being paid to him as Chairman and Executive Director of the Company. Mr. Vinay Uchil is brother of Mr. Venkatesh Uchil and Dr. Tanuja Pudhierkar.

### III. OTHER INFORMATION:

Sr. No.	Particular	Disclosures
1	Reasons for inadequate profits steps taken or proposed to be taken for improvement	The Management of the company is in process of expanding the business of the Company, for that reason management focus more on expanding the business rather than Profitability. Once the business of the Company will be in growth stage the profitability of the Company will certainly be increased.
2	Expected increase in productivity and profits in measurable terms	The steps as discussed above, both short term and long term are expected to yield results in the coming years.

### IV. Disclosures

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

None of the Directors of the Company, except Mr. Vinay Krishna Uchil and his relatives are concerned or interested in the Resolution.

The Board recommends this resolution for the approval of the members as Special Resolution.

#### Item No 5:

The Nomination and Remuneration Committee and Board of Directors approved the terms and conditions for Re-Appointment and Remuneration of Mr. Venkatesh Uchil (DIN: 01282671) as Managing Director of the Company not liable to retire by rotation for a period of 3 years, with effect from 1st August, 2024 to 31st July, 2027 upon such terms and conditions including payment of remuneration, perquisites and benefits. Following are the mandatory disclosures pursuant to provisions of Schedule V of the Companies Act, 2013, to justify the proposed remuneration paid to the Managing Director.

The additional information as required by Section II of Part II of Schedule V to the Act is given below:

Sr. No	Particulars	Disclosures
1.	Nature of Industry	Ship Building, Navy, Industries, Buildings, Solar Energy
2.	Date of commencement of commercial production	In the year of 1978

## Notice

Sr. No	Particulars	Disclosures	
3.	Financial performance based on given indicators  - as per audited standalone financial statement for the financial year ended on 31st March 2024: (Amt in Lacs.)	Particulars	2023-24
		Sales	53,372.69
		Profit/(loss) after tax	2,835.22
		Equity Capital	2,653.31
		Reserve and Surplus	19,621.81

### II. Information about the appointee:

Sr. No.		
1.	<b>Background Details</b>	Mr. Venkatesh Uchil joined the organization in 1999 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, the company achieved more than 50% of the turnover from Industry Sector in the year 2017. He ensures that the quality control standards are not compromised under any circumstances over and above timely execution.
2.	<b>Past remuneration*</b>	75,00,000 p.a
3.	<b>Recognition or awards</b>	N.A.
4.	<b>Job profile and his suitability</b>	Mr. Venkatesh Uchil, is the promoter of the company and He has Actively Participated in timely execution of the Industry Orders, the company achieved more than 50% of the turnover from Industry Sector. He has been guiding force behind the growth and business strategy of our Company. He will also look after the day to day management of the Company.
5.	<b>Remuneration proposed</b>	As per the details provided in the Special Resolution
6.	<b>Comparative remuneration profile with respect to industry, the size of the company, profile of Company, the position and person</b>	Looking into his experience and expertise in the Industry, the Board of Directors of the Company decided to appoint Mr. Venkatesh Uchil as Managing Director of the Company. The remuneration paid to him is reasonable considering the prevailing emoluments in the industry for senior management with similar qualifications and experience
7.	<b>Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personal, if any:</b>	Mr. Venkatesh Uchil has no other relationship with the Company except the remuneration being paid to him as Managing Director of the Company. Mr. Venkatesh Uchil is brother of Mr Vinay Uchil.and Dr. Tanuja Pudhierkar.

## Notice

### III. OTHER INFORMATION:

Sr. No.	Particular	Disclosures
1	Reasons for inadequate profits steps taken or proposed to be taken for improvement	The Management of the company is in process of expanding the business of the Company, for that reason management focus more on expanding the business rather than Profitability. Once the business of the Company will be in growth stage the profitability of the Company will certainly be increased.
2	Expected increase in productivity and profits in measurable terms	The steps as discussed above, both short term and long term are expected to yield results in the coming years.

### IV. Diclosures

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

None of the Directors of the Company, except Mr. Venkatesh Uchil and his relatives are concerned or interested in the Resolution.

The Board recommends this resolution for the approval of the members as Special Resolution.

#### Item No 6:

The Nomination and Remuneration Committee and the Board of Directors has, at their respective meetings held on 29th May, 2024, considered and recommended the reappointment of Mr. Vikas Jaywant (DIN: 06607484) as a Non-Executive Independent Director of the Company to hold office for a period up to 22nd February, 2028, not liable to retire by rotation. In the opinion of Nomination and Remuneration Committee and the Board, Mr. Vikas Jaywant (DIN: 06607484), the Non-Executive Independent Director proposed to be reappointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. He is also registered as Independent Director in Independent Director's Data Bank.

The Company has received from Mr. Vikas Jaywant (DIN: 06607484) (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies(Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

A copy of the draft letter for the appointment of Mr. Vikas Jaywant (DIN: 06607484) as Non-Executive Independent Director setting out the terms and conditions are uploaded on the website of the Company.

Brief profile of Mr. Vikas Jaywant (DIN: 06607484) as required under 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) issued by the Institute of Company Secretaries of India (ICSI), is forming a part of this Notice.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the Members. None of the Directors or Key Managerial Personnel of the Company or their relatives, except Mr. Vikas Jaywant (DIN: 06607484) is in any way, concerned or interested in the Resolution at Item No. 6 of the Notice.

#### Item No.7

The Board of Directors, pursuant to the recommendation of the Nomination, and Remuneration Committee of the Board of Directors, reappointed Mr. Shailendra Shukla as an Executive Director of the Company for a period of three years with effect from 30th June, 2025. Mr. Shailendra Shukla is not disqualified from being appointed as Director in terms of provisions of Section 164(2) of the Act.



## Notice

Mr. Shailendra Shukla is a person of integrity and possesses appropriate skills, experience, knowledge and qualifications in his respective field which are beneficial to the interests of the Company. In the opinion of the Board, Mr. Shailendra Shukla fulfills the conditions for appointment as a Director as specified in the Act and the Rules made thereunder. As per disclosures received, Mr. Shailendra Shukla do not hold any shares in the Company.

Brief profile of Mr. Shailendra Shukla as required under 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) issued by the Institute of Company Secretaries of India (ICSI), is forming a part of this Notice.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the Members. None of the Directors or Key Managerial Personnel of the Company or their relatives, except Mr Shailendra Shukla is in any way, concerned or interested in the Resolution at Item No. 7 of the Notice.

### **Item No.8**

The relevant details of the Related party Transactions are annexed to the notice in ANNEXURE 2 Item No 8:

## ANNEXURE 1

### DETAILS OF DIRECTORS PROPOSED TO BE 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	Mr. Shailendra Shukla	Mr. Vinay Uchil	Mr. Venkatesh Uchil	Mr. Vikas Jaywant
DIN	08049885	01276871	01282671	06607484
Date of 1 <sup>st</sup> Appointment	07/12/2018	04/12/2007	04/12/2007	24/02/2020
Date of birth and Age	27.01.1968 and 56 years	21.06.1971 and 53 years	04.10.1977 and 47 years	25.05.1958 and 66 years
Qualification	Mr. Shailendra Kumar Shukla, is the Executive Director 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.	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.	Bachelor degree 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.	Mr. Vikas Jaywant, 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.
Experience:	Over 3 decades	Over 2 decades	Over 2 decades	Over 2 decades
Terms and conditions of re-appointment along with details of remuneration sought to be paid	Mr. Shailendra Kumar Shukla, retires by rotation at the ensuing AGM and being eligible, seeks reappointment as per the resolution No.3 of this notice.  Further, He is re-appointing as executive director in ensuing AGM as per the resolution No.7 of this notice read with explanatory statement thereto.	The details are provided in the resolution at Item no. 4 of this notice.	The details are provided in the resolution at Item no. 5 of this notice.	The details are provided in the resolution at Item no. 6 of this notice.
Last Drawn Remuneration:	Nil	Rs. 72,50,000 p.a*	Rs. 72,50,000 p.a*	Nil
Relationship with Other Directors, Manager and Other Key Managerial Personnel of the Company:	None	Mr. Vinay Uchil is brother of Mr. Venkatesh Uchil and Dr. Tanuja Pudhierkar	Mr. Venkatesh Uchi is brother of Mr. Vinay Uchil and Dr. Tanuja Pudhierkar	None
Shareholding in the Company (Individually or Jointly):	None	10,81,300	2,77,73,475	None
Number of Meetings of the Board Attended during the Year:	As mentioned in corporate governance report.	As mentioned in corporate governance report.	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.	As mentioned in corporate governance report.	As mentioned in corporate governance report.

## Notice

Name of Director	Mr. Shailendra Shukla	Mr. Vinay Uchil	Mr. Venkatesh Uchil	Mr. Vikas Jaywant
Justification for choosing the appointees for appointment as Independent Directors	Relevant experience and expertise	Relevant experience and expertise	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 2024-25)	30	4.82% of the annual consolidated turnover of the Company for the FY ended March 31, 2024. 69.69 % of the annual standalone turnover of MEL Power Systems FZC for the FY ended March 31, 2024.	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 2024-25)	20	3.21% of the annual consolidated turnover of the Company for the FY ended March 31, 2024. 198.15 % of the annual standalone turnover of Xanatos Marine Ltd for the FY ended March 31, 2024.	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 2024-25)	30	4.82% of the annual consolidated turnover of the Company for the FY ended March 31, 2024. 844 % of the annual standalone turnover of Evigo Charge Private Limited for the FY ended March 31, 2024.	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	3.21% of the annual consolidated turnover of the Company for the FY ended March 31, 2024. 198.15% of the annual standalone turnover of Xanatos Marine Ltd. for the FY ended March 31, 2024.	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	4.82% of the annual consolidated turnover of the Company for the FY ended March 31, 2024. 844 % of the annual standalone turnover of Evigo Charge Private Limited for the FY ended March 31, 2024.	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	Narhari Engineering Works (Partnership Firm) is the subsidiary company of Marine Electricals (India) Limited (MEIL)	Mr. Vinay Uchil, Chairman & Executive Director,	The Security and/ or Corporate Guarantee shall be valid till repayment of loan by the subsidiary.	20	3.21% of the annual consolidated turnover of the Company for the FY ended March 31, 2024. 94.85 % of the annual standalone turnover of Narhari Engineering Works for the FY ended March 31, 2024.	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	Xanatech Synergies 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.	50	8.04% of the annual consolidated turnover of the Company for the FY ended March 31, 2024. Xanatech Synergies Private Limited did not have revenue from operations for the FY ended March 31, 2024.	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**

## Director's Report

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

Your Directors are pleased to present the 17<sup>th</sup> Annual Report on business and operations of your Company together with the Audited Financial Statements (standalone and consolidated) for the financial year ended 31<sup>st</sup> March, 2024 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 31<sup>st</sup> March, 2024 as compared to the previous Financial Year are summarized below:

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	Year Ended	Year Ended	Year Ended	Year Ended
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Total income	54,140.09	39,740.53	62,927.22	44,738.01
Expenses	48,648.75	35,629.27	57,034.81	40,428.6
Profit before Interest, Depreciation and Taxation	5,491.34	4,111.26	5,906.56	4,309.41
Interest and bank charges	1,040.05	862.15	1,237.92	994.13
Depreciation and Amortization	670.33	612.57	1,036.63	807.99
Profit before tax	3,780.96	2,636.54	3,632.01	2,507.29
Less: Provision for current tax & deferred tax	(945.74)	(685.92)	(1,055.68)	(827.21)
Profit after taxation	2,835.22	1,950.62	2,576.33	1,680.08
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 of your Company for the year is Rs. 53,372.69 Lakhs as against Rs 39,127.13 Lakhs in the previous financial year. Total exports revenue was Rs. 3,851.28 Lakhs as against. Rs. 5,038.73 Lakhs in the previous year.

The standalone net profit for the year increased by 45.35% to Rs. 2,835.22 Lakhs as against Rs. 1,950.62 Lakhs in the previous financial year.

**Consolidated:** The Consolidated revenue of your Company for the year is Rs. 62,212.07 as against Rs. 44,285.44 Lakhs in the previous financial year. The Consolidated net profit for the year is Rs. 2,576.33 as against Rs. 1,680.08 Lakhs in previous year

## Director's Report

### 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, 2024 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. MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR:

The Company has proposed in its board meeting dated 24th July, 2024 to undertake an issue of 84,27,500 Equity Shares of Rs. 2/- each and 20,00,000 convertible warrants carrying an entitlement to subscribe to an equivalent number of equity shares of Rs. 2/- each to be issued through preferential issue to Promoters group ("Identified Persons") and non promoter group aggregating to INR 213,76,37,500/- ( at a price of Rs. 205 including face value of Rs. 2 per equity shares) ("Preferential Issue"/ "Offer") as per compliance with companies act 2013 and SEBI ICDR regulations and subject to the approval of shareholders in the forthcoming extra ordinary general meeting to be held on 17th August, 2024.

### 7. 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.

### 8. DIVIDEND

Your Directors are pleased to recommend a Dividend of Rs. 0.20 (10%) per equity share of Rs. 2/- each on 13,26,65,250 equity shares for the year ended 31st March, 2024, aggregating to Rs. 265.33 lakhs payable to those Shareholders whose names appear in the Register of Members as on the Record Date.

### 9. 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>

### 10. TRANSFER TO RESERVES:

During year under review, no amount has been transferred to general reserves.



## Director's Report

### 11. 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. Last year, the Company already made an allotment of 36,50,000 Equity shares to allottees on receipt of a balance of 75% of the issue price from the three allottees.

Further, during the year under review, the Company has received the balance 75% of the issue price from rest of allottees and made an allotment of total of 63,50,000 Equity shares the details are as under.

Sr. No.	Name of Allottees	No of Shares	Date
1	Vinay Krishna Uchil	350000	11-Aug-23
2	Ms. Aarti Mukesh Bhanushali	650000	11-Aug-23
3	Mr. Manoj Bishan Mittal	550000	11-Aug-23
4	Mr. Mukesh Kanji Bhanushali	650000	02-Oct-23
5	Mr. Bishan Narain Mittal	200000	02-Oct-23
6	Mittal Capital Finvest Private Limited	200000	02-Oct-23
7	Ms. Bhavika Mittal	50000	02-Oct-23
8	Aptrans Portfolio Private Limited	600000	24-Nov-23
9	Mr. Vishnukumar Vitthaldas Patel	250000	31-Jan-24
10	Mr. Harsh Vishnubhai Patel	250000	31-Jan-24
11	Ms. Ashaben Vishnukumar Patel	250000	31-Jan-24
12	Ms. Zalak Bipinchandra Patel	250000	31-Jan-24
13	Ms. Dhvani Bimal Mehta	600000	20-Feb-24
14	Ms. Yogita Manoj Mittal	200000	29-Feb-24
15	M/s. Bishan Narain Mittal HUF	700000	29-Feb-24
16	Mr. Bimal Natvarlal Mehta	600000	16-Mar-24

The details of utilization of funds are given hereunder:

Particulars	Amount in Lakhs
Funds raised through allotment of 15,50,000 fully paid-up equity shares against conversion of equal number of warrants. (A)	Rs. 340.03
Funds raised through allotment of 11,00,000 fully paid-up equity shares against conversion of equal number of warrants. (B)	Rs. 241.31
Funds raised through allotment of 6,00,000 fully paid-up equity shares against conversion of equal number of warrants (C)	Rs. 131.625
Funds raised through allotment of 10,00,000 fully paid-up equity shares against conversion of equal number of warrants (D)	Rs. 219.375

## Director's Report

Particulars	Amount in Lakhs
Funds raised through allotment of 6,00,000 fully paid-up equity shares against conversion of equal number of warrants (E)	Rs. 131.625
Funds raised through allotment of 9,00,000 fully paid-up equity shares against conversion of equal number of warrants (F)	Rs. 197.43
Funds raised through allotment of 6,00,000 fully paid-up equity shares against conversion of equal number of warrants (G)	Rs. 131.625

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.

### 12. SHARE CAPITAL AND CHANGES IN IT:

- Authorized Share Capital:**

The Authorized Share Capital of the Company is Rs. 30,00,00,000/- (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:**

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 allottees. 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 under review, the Company has received the balance 75% of the issue price from rest of allottees and made an allotment of total of 63,50,000 Equity shares upon on conversion of Warrants held by them.

The Company has received Listing and Trading Approval for 63,50,000 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. 26,53,30,500 /- (Twenty Six Crore Fifty Three Lacs Thirty Thousand Five Hundred only) comprising of 13,26,65,250 (Thirteen Crore Twenty Six Lacs Sixty Five Thousand Two 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.

### 13 DETAILS OF COMPANY'S HOLDING, SUBSIDIARY, ASSOCIATE & JOINT VENTURE

The Company is having 6 (Six) subsidiaries including step down subsidiary and 2 associate company. The details of Subsidiary, Associate & Joint Venture are as follows:

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.

## Director's Report

### 13.1 Domestic Subsidiaries

The Company has 3 (Three) Indian Subsidiaries i.e. Eltech Engineers Madras Private Limited (CIN: U29142TN1996PTC036500), Evigo Charge Private Ltd (formally known as Evigo Charging Consultants Private Ltd ) (CIN No. U74999MH2018PTC317824), Xanatech Synergies Private Limited (CIN No. U62013MH2024PTC417888) and M/s. Narahari Engineering Works (Partnership Firm)

During the period under review Xanatech Synergies Private Limited was incorporated as a subsidiary company cum joint venture company w.e.f 22nd January, 2024.

### 13.2 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.

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>

### 13.3 Associate Company

The Company has two associate company i.e Marks Marine Radio Private Limited (CIN: U51909MH1999PTC120812) and Athmar India Private Limited (CIN: U28110PN2024PTC227981)

During the period under review Athmar India Private Limited was incorporated as a associate company w.e.f 7th February, 2024.

## 14. 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.

## 15. 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.

## 16 DIRECTORS AND KEY MANAGERIAL PERSONNEL :

### 16.1 Board of Directors

#### a) Composition

The Board of Directors of the Company, at present, comprises of 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

## Director's Report

Name of the Director	DIN	Category of Directorship
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

At the forthcoming AGM approval of the Members will be sought for the Re-appointment of the following Directors.

To Consider re-appointment of Mr. Vinay Uchil (DIN: 01276871) as a Chairman and Executive Director And Fixation of Remuneration with effect from 1st August, 2024 to 31st July, 2027.

To Consider re-appointment of Mr. Venkatesh Uchil (Din: 01282671) as an Managing Director and fixation of Remuneration with effect from 1st August, 2024 to 31st July, 2027.

To Consider re-appointment Of Mr. Vikas Jaywant (Din: 06607484) as an Independent Director for a Second And Final Term Of 3 (Three) Years Effective From 23rd February, 2025 Till 22nd February, 2028

To consider re-appointment of Mr. Shailendra Shukla (DIN: 08049885) as executive director.

### 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, Mr. Shailendra Shukla (DIN: 08049885), 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 Mr. Shailendra Shukla (DIN: 08049885), 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 (DIN- 07650301), Mr. Vikas Jaywant ( DIN - 06607484, Mr. Nikunj Mishra ( DIN - 03589730), Mr. Mohan Rao ( DIN - 02592294) & Ms. Archana Rajagopalan ( DIN - 09077128) 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.

## Director's Report

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.

### 16.2 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	Mr. Deep Shah	Company Secretary & Compliance Officer	14/02/2024

During the year under review, Ms. Mitali Ambre tendered her resignation from the post of Company Secretary and Compliance Officer with effect from 13th December, 2023. Mr. Deep Shah was appointed as Company Secretary and Compliance Officer in the Board Meeting held on 14th February, 2024.

### 17. BOARD MEETINGS:

The Board met Five (5) times during the financial year 2023-24 viz 29th May, 2023; 14th August, 2023; 16th October, 2023, 09th November, 2023; 14th February, 2024. 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.

### 18. COMMITTEES OF THE BOARD :

As on March 31, 2024, 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.

### 19. 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 2023-24 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/disclosure-reports/Familiarization-Programme.pdf>

### 20. 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.



## Director's Report

### 21. 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.

### 22. 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>

### 23. 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 28th March, 2024 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.

### 24. 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, 2024 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, 2024 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 31st March, 2024 on a going concern basis; and



## Director's Report

- 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.

### 25. 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**.

### 26. RELATED PARTY TRANSACTIONS :

The related party transactions that were entered into by the Company during the financial year 2023-24, were on arm's length basis. Further, no material related party transactions were entered into by the Company during the financial year 2023-24. 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 2023-24 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>.

### 27. 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>

### 28. 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.

## Director's Report

### - 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>

## 29 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 31, 2024. During the year under review, no material or serious observation has been observed for inefficiency or inadequacy of such controls.

## 30. 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.

## Director's Report

### 31. 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.

### 32. 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, 2024 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>

### 33. AUDITORS AND REPORTS :

#### A. Statutory Auditors

The 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 reappointed as Statutory Auditors for a period of 5 years in the AGM held on 26th September 2023.

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, 2024.

#### B. Internal Auditor

The Board of Directors at its meeting held on 29th May, 2023 had appointed IRA & Associates (Formerly known as SMSD & Co), Chartered Accountants as Internal Auditor for Financial Year 2023-24. 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, 2024 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 2024-25.

#### 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 2023-24. The Board of Directors in its Board Meeting held on 29th May, 2024 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 2024-25.

The Secretarial Audit Report for the financial year ended 31st March, 2024 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 2023-24 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.

## Director's Report

### 34. 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.

### 35. 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>

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 FY 2024.

### 36. 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.

### 37. 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.

### 38. 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 thereby enhancing the contributory value of the Human Resources.

### 39. EMPLOYEES STOCK OPTION SCHEME :

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

### 40. 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 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.

### 41. 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 or no proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

## Director's Report

### 42. 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 and that such systems are adequate and operating effectively.

### 43. 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.

### 44. ACKNOWLEDGEMENTS :

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/-**

**Mr. Vinay K. Uchil**

**Chairman and Executive Director**

**DIN: 01276871**

**Sd/-**

**Mr. Venkatesh K. Uchil**

**Managing Director**

**DIN: 01282671**

**Date: 12<sup>th</sup> August, 2024**

**Place: Mumbai**

## Director's Report

### 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	STISRL	Evigo Charge Private Limited (formally known as Evigo Charging Consultants Private Limited)	Xanatos Marine Ltd. (became subsidiary w.e.f. 04/01/2023)	Xanatech Synergies Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	From 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March 2024	From 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March 2024	From 1 <sup>st</sup> January, 2023 to 31 <sup>st</sup> December 2023	From 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March 2024	From 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March 2024	From 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March 2024
3	Holding company's reporting period	From 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	From 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	From 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	From 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	From 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	From 1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024
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 : 22.73	INR	EURO 1 EURO : 90.09	INR	CAD 1 CAD : Rs 61.73	INR
5	Financial Year in the Case of Foreign Subsidiaries	01/04/2023 to 31/03/2024	-	From 01/01/2023 to 31/12/2023	-		01/04/2023 to 31/03/2024
6	Share Capital	41.53	150.00	1003.76	206.78	1.00	1.00
7	Reserves & Surplus	4224.12	(260.65)	598.26	(611.00)	(487.73)	(0.45)
8	Total Assets	6525.83	8.44	5186.65	351.30	1063.66	113.26
9	Total Liabilities	2260.17	119.09	3584.63	755.52	1254.03	112.71
10	Investments	909.66	NIL	348.90	NIL	0.27	NIL
11	Turnover	4305.01	-	3377.56	355.45	1009.33	NIL
12	Profit before taxation	185.29	11.19	18.96	(224.06)	(134.63)	(0.45)
13	Provision for taxation	NIL	(0.07)	8.44	NIL	NIL	NIL
14	Profit after taxation	185.29	11.26	10.51	(224.06)	(134.63)	(0.45)
15	Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL
16	% of shareholding	93.71%	94%	70.28%	99.44%	75%	74%

#### Notes:

- 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.
- 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



## Director's Report

### 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	Marks Marine Radio Private Limited	Athmar India Private Limited
Latest audited Balance Sheet Date	31.03.2024	-
Date on which the Associate or Joint Venture was associated or acquired	25th October 2023	7th February, 2024
Reporting currency and Exchange rate as on the last date of the relevant Financial year.	INR	INR
No. Shares of Associate or Joint Ventures held by the company on the year end	2460 Equity Shares	5000 Equity Shares
Amount of Investment in Associates or Joint Venture	Rs. 235.18	Rs. 0.50
Extent of Holding(in percentage)	49.2%	50%
Description of how there is significant influence	The Company holds 49.20% stake in the Equity Share Capital of the Company.	The Company holds 50% stake in the Equity Share Capital of the Company
Reason why the associate/joint Venture is not consolidated	NA	NA
Net worth attributable to shareholding as per latest Audited Balance Sheet	4,979.13	1.00
Profit or Loss for the year	14.15	-
Considered in Consolidation	Yes	-

#### The following information shall be furnished:

Names of Associates/ Joint Ventures, which are yet to commence operations: Athmar India Private Limited

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/-

Mr. Vinay K. Uchil

Chairman and Executive Director

DIN: 01276871

Sd/-

Mr. Venkatesh K. Uchil

Managing Director

DIN: 01282671

Date: 12<sup>th</sup> August, 2024

Place: Mumbai

## Director's Report

### **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 2023-24 are as follows:**

Sl. No.	Name of the Director	Ratio of the Remuneration to the Median Remuneration of employees	% increase in remuneration in the financial year
<b>A</b>	<b>Executive Directors</b>		
1	Mr. Vinay K. Uchil (Chairman & Executive Director)	12.59	25%*
2	Mr. Venkatesh K. Uchil (Managing Director)	12.59	25%*
<b>B</b>	<b>Non- Executive Directors</b>		
3	Dr. Tanuja D. Pudhierkar (Director)	0.00	0.00
4	Mr. Shailendra Kumar Shukla (Director)	0.00	0.00
5	Mr. Madan Pendse (Independent Director)	0.23	0.00
6	Mr. Nikunj Mishra (Independent Director)	0.18	0.00
7	Mr. Vikas Jaywant (Independent Director)	0.23	0.00
8	Mr. Mohan Rao (Independent Director)	0.18	0.00
9	Ms. Archana Venkata Rajagopalan (Independent Woman Director)	0.16	0.00
<b>C</b>	<b>Key Managerial Personnel (KMP)</b>		
10.	Mr. U. M. Bhakthavalsalan (Chief Financial Officer)	12.76	0.00
11.	Mr. Deep Shah (Company Secretary Compliance Officer appointed w.e.f. 14.02.2024)	2.29	0.00
12.	Ms. Mitali Ambre (Company Secretary resigned on 13th December, 2023))	1.30	0.00

**Note:**

\*There has been increase of 25% in the managerial remuneration during the financial year 2023-2024 pursuant to the special resolution passed by the shareholders of the company in its Annual General Meeting held on 26th September, 2023.

- B. Median remuneration of Employees: Rs. 47,984.70 (per month)
- C. The percentage increase in the median remuneration of employees in the financial year 2023-24: 15%
- D. Number of permanent employees on the rolls of the Company as on March 31, 2024: 494
- E. Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year 2023-24 was below 11%. Percentage increase in remuneration of managerial personnel has been determined based on independent bench marking, performance of the Company and trends of remuneration in the industry.

## Director's Report

- 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 31<sup>st</sup> March, 2024.**

Sl. No.	Name & Designation	Remuneration received during the period from April 1, 2023 to March 31, 2024	Nature of employment	Qualifications and experience of the employee	Date of commencement of employment	Age (DOB)	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. Sridhar s CTO - R & D	Rs. 26,60,700	Regular	B.E Electricals and 35 Yrs.	01/09/2023	24/12/1965	BHEL	No	Nil
2	Mr. T K Mani - General Manager R&D	Rs. 29,70,000	Regular	B.E Electricals and 30 Yrs.	01/08/2018	15/10/1950	Hycon India Limited	No	Nil
3	Mr. Rohit Ravi General Manager - Finance	Rs. 20,75,200	Regular	Chartered Accountant 6.5 Yrs	19/06/2023	13/12/1995	EY Global	No	Nil
4	Mrs. Stella D'Souza Purchase Head	Rs. 16,08,000	Regular	HSC and 26 Yrs.	01/04/2013	29/01/1968	Marine Electricals	No	Nil
5	Mr. Manish Fatehpuria Asst. General Manager - Audit & Banking	Rs. 21,37,500	Regular	Chartered Accountant 5 yrs	16/11/2022	03/11/1988	BSE Limited	No	Nil
6	Mr. Ram Singh General Manager Operation & Projects	Rs. 21,09,000	Regular	B.E Electricals 22 Yrs.	07/04/2014	23/11/1974	Indian Navy	No	Nil
7	Mr. Navin Rao General Manager -Plant	Rs. 18,00,000	Regular	B.E Electricals 27 Yrs.	01/04/1999	20/03/1974	CG Power and Industrial Solutions	No	Nil
8	Mr. Shivaji Shinde- VP- Service	Rs. 29,50,268	Regular	Ex Navy, Graduate	06/04/2023	07/07/1965	Marine - Mechnics	No	Nil
9	Mr. P R Mohanraj General Manager Service	Rs. 18,82,450	Regular	B.E Electricals 30 Yrs.	08/05/2002	30/06/1962	Indian Navy	No	Nil
10	Mr. Subash S VP- Sales	Rs. 27,87,669	Regular	B.E Electricals 15 yrs.	18/09/2020	23/09/1988	OHM Energy Management System Pvt. Ltd.	No	Nil

## Director's Report

On behalf of the board of directors

Sd/-

Mr. Vinay K. Uchil

Chairman and Executive Director

DIN: 01276871

Sd/-

Mr. Venkatesh K. Uchil

Managing Director

DIN: 01282671

Date: 12<sup>th</sup> August, 2024

Place: Mumbai

## Director's Report

### 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

I have examined the relevant registers, records, forms, returns and disclosures received 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 me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal of Ministry of Corporate Affairs (MCA) i.e. [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me 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 March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, 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**

Place : Mumbai

Date : 12<sup>th</sup> August, 2024

**Peer Review No: 1972/2022**

**UDIN:F007569F000958508**

## Director's Report

### 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 2024, 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 31 <sup>st</sup> March 2024.
(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/-**

**Mr. Vinay K. Uchil**

**Chairman and Executive Director**

**DIN: 01276871**

**Sd/-**

**Mr. Venkatesh K. Uchil**

**Managing Director**

**DIN: 01282671**

**Date: 12<sup>th</sup> August, 2024**

**Place: Mumbai**



## Director's Report

### 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 brought 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. 2,110.58/-

Foreign Exchange Outgo: Rs. 7,756.92/-

**On behalf of the board of directors**

**Sd/-**

**Mr. Vinay K. Uchil**

**Chairman and Executive Director**

**DIN: 01276871**

**Sd/-**

**Mr. Venkatesh K. Uchil**

**Managing Director**

**DIN: 01282671**

**Date: 12<sup>th</sup> August, 2024**

**Place: Mumbai**

# Director's Report

## ANNEXURE F

### FORM NO. MR-3 SECRETARIAL AUDIT REPORT

For the Financial Year ended 31<sup>st</sup> March, 2024

[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, 2024 ('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, 2024 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 Listing 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;

## Director's Report

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(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)**
  - l) 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 Insurance Act, 1948 (ESIC Act);
  - 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. The Employees State Insurance Act, 1948 (ESIC Act);
  - 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 & Trans boundary 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.

## Director's Report

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. There were no changes in the composition of the Board of Directors during the period under Audit.

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 16th Annual General Meeting held on 26th September, 2023 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, 2023 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 Statutory Auditors of the Company for a consecutive term of five years.
  - d) To Consider Re-appointment of Ms. Archana Venkata Rajagopalan as an Independent Director for a second and final term of 5 years effective from 23rd February, 2024 till 22nd February, 2029.
  - e) To approve revision in Remuneration of Mr. Vinay Uchil, Chairman & Executive Director of the Company.
  - f) To approve revision in Remuneration of Mr. Venkatesh Uchil, Managing Director of the Company.
  - g) Approve Material Related Party Transactions
  - h) To consider and approve revised limits for transactions under section 185 of Companies Act, 2013.
2. During the audit period under review, Ms. Mitali Ambre resigned as Company Secretary and Compliance Officer of the Company w.e.f 13th December, 2023 and Mr. Deep Shah was appointed as Company Secretary and Compliance Officer of the company w.e.f 14th February, 2024.

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

## Director's Report

1. Issue and allotment on a preferential basis of upto 1,00,00,000 (One Crore) Convertible Warrants in one or more tranches 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/- each or 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. The approval of the shareholders of the company was received on 19.09.2022 and the in principal approval from NSE was received on 13.09.2022 the Board of Directors via circular resolution passed on the following dates approved the allotment of the equity shares upon conversion of the warrant:
  - I) Circular Resolution passed on 02.10.2023 for allotment of 11,00,000 Equity Shares
  - ii) Circular Resolution passed on 24.11.2023 for allotment of 6,00,000 Equity Shares
  - iii) Circular Resolution passed on 31.01.2024 for allotment of 10,00,000 Equity Shares
  - iv) Circular Resolution passed on 20.02.2024 for allotment of 6,00,000 Equity Shares
  - v) Circular Resolution passed on 29.02.2024 for allotment of 9,00,000 Equity Shares
  - vi) Circular Resolution passed on 16.03.2024 for allotment of 6,00,000 Equity Shares
- 2 The Company has formed a new Company on 22nd January, 2024 in the name of "Xanatech Synergies Private Limited" as a Subsidiary Company for the purpose of entering into Joint Venture Agreement.

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

**Raghunath Bhandari**  
Proprietor

**FCS No. 8048**

**CP No. 15381**

**Peer Review Certificate No.: 1986/2022**

**UDIN : F008048F000958371**

**Date : 12<sup>th</sup> August, 2024**

**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

## Director's 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 :F008048F000405280**

**Date : 12<sup>th</sup> August, 2024**  
**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**



## Director's 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; [www.marineelectricals.com](http://www.marineelectricals.com)

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:  
<https://www.marineelectricals.com/images/policies/Corporate-Social-Responsibility-Policy-CSR.pdf>
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. 17,42,42,571/-**  
(b) Two percent of average net profit of the company as per sub-section (5) of section 135: **Rs. 34,84,851/-**  
(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: **NA**  
(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **Rs. 34,84,851/-**
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs. 36,85,838/-**  
(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. 36,85,838/-**  
(e) CSR amount spent or unspent for the financial year:

## Director's Report

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. 36,85,838/-	-	-	-	-	-

(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. 34,84,851/-
(ii)	Total amount spent for the Financial Year	Rs. 36,85,838/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 2,00,987/-
(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 a fund as specified under schedule VII as per second proviso to sub-section (5), of section 135, if any		Amount remaining to be spent in succeeding financial year (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
1.	2022-2023				Not Applicable			
2.	2021-2022				Not Applicable			
3.	2020-2021				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- NA

## Director's Report

On behalf of the board of directors

Sd/-

Mr. Vinay K. Uchil

Chairman and Executive Director

DIN: 01276871

Sd/-

Mr. Venkatesh K. Uchil

Managing Director

DIN: 01282671

Date: 12<sup>th</sup> August, 2024

Place: Mumbai

## Management Discussion and Analysis

### A. Overview of the Company's Business:

Marine Electricals has achieved significant YOY growth in the last fiscal. This is more due to the thriving business environment and our intense focus on the existing panel business, creating niche positioning in sub-segments and harnessing specializations within the sector. Additional business segments in related sectors are also being nurtured. Marine Electricals' business sustenance and growth prospects are closely linked to the overall economic growth of the Nation and the growth of Electrical, Navigation & Communication, and Automation solution needs of India and the neighboring countries where MEIL has a strong footprint. Infrastructure growth fuels the demand for our proprietary Energy Management System (EMS), Building Management Solutions (BMS), Block-set and Bus-duct solutions; Switchboards, and Power Distribution Boards. Our industry products are known for their Real-time thermal safety monitoring, iPMC (intelligent Power and Motor Control), Ergonomic design, and IoT-ready wireless connectivity (ME Connect).

Further, the growth of Marine / Shipping industry also brings significant opportunities and value propositions to our services business concentrated in India and the Middle East. Strong electrical, electronics and NAVCOM backbone 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. Our 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, 2024 on Standalone and Consolidated Basis are as follows:

#### Standalone:

Particular	As on 31 <sup>st</sup> March 2024	As on 31 <sup>st</sup> March 2023
Debt/Equity Ratio	0.34	0.30
Debt Service Ratio	4.02	3.14
Interest Coverage Ratio	7.85	7.72
Current Ratio	1.46	1.60
Net Profit Ratio	5.32%	5.00%
Operating Profit Ratio:	8.85%	8.94%

#### Consolidated:

Particular	As on 31 <sup>st</sup> March 2024	As on 31 <sup>st</sup> March 2023
Debt/Equity Ratio	0.38	0.30
Debt Service Ratio	3.44	2.68
Interest Coverage Ratio	6.76	6.17
Current Ratio	1.48	1.60
Net Profit Ratio	4.14%	3.79%
Operating Profit Ratio:	8.32%	8.71%

Revenue from operations:

Standalone: 53,372.69 Lakhs

Consolidated: 62,212.07 Lakhs.

#### Performance of each Segments

Our Company is mainly dealing into two segments viz Marine & Industry. The Company has been receiving orders

## Management Discussion and Analysis

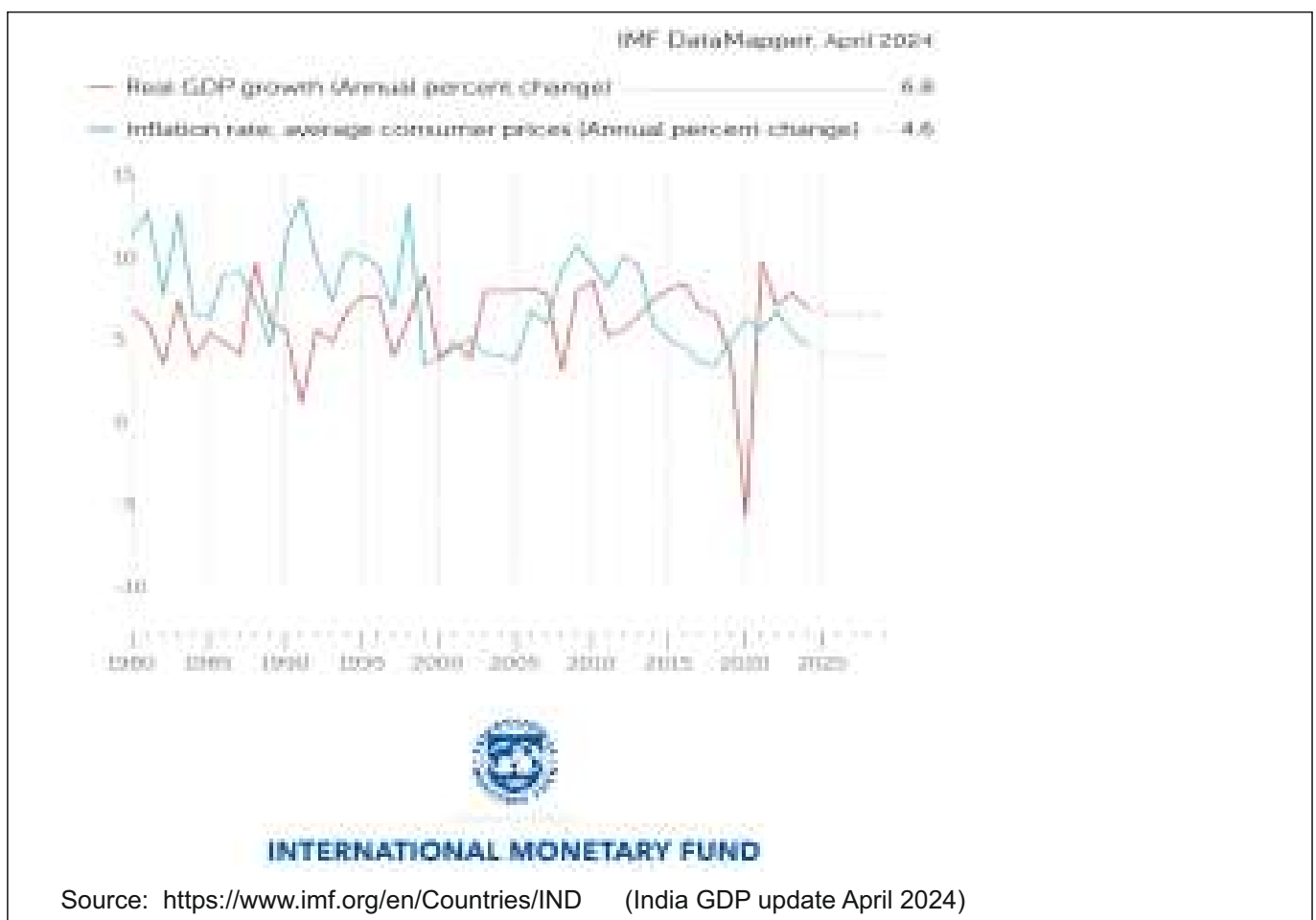
from Marine & Industry segment on regular basis. The Company achieved revenues of Rs. 26,579.20 for Marine Segment and 26,793.49 for Industry Segment during FY 2023-24 as against Rs. 19,807.75 Lakhs for Marine segment and Rs. 19,319.38 Lakhs for Industry segment during FY 2022-23. The Company achieved PBIT of Rs. 2,611.25 for Marine segment and 1,495.22 for Industry segment during FY 2023-24 as against Rs. 1,719.53 Lakhs for Marine Segment and Rs. 1,205.75 Lakhs for Industry segment during FY 2022-23.

Previously, the Company was disclosing two business segments i.e. Electricals & Electronics and Solar. In the board meeting dated 29 May 2023, board approved change in operating segment reporting between two business segments i.e. Marine and Industry, as segments based on how CODM make decision internally for performance assessment and resource allocation.

Pursuant to approval by Board, the Company has identified its reportable segment as Marine and Industry during the quarter 30 June 2023 and accordingly previous period / year figures have been regrouped / rearranged among those segments.

Economic Environment: A robust GDP growth indicator

Indian Economy Speaks: (Source: <https://www.ibef.org>)



[India to become third largest economy in 2 years, says Vice President of India and Chairman of Rajya Sabha Mr. Jagdeep Dhankhar](#)

Vice President of India and Chairman of Rajya Sabha Mr. Jagdeep Dhankhar asserted India's unstoppable rise, predicting it will become the third-largest economy in 2 years

[India plans to produce 500 GW power from non-fossil sources by 2030](#)

Union Minister of Consumer Affairs, Food and Public Distribution & New and Renewable Energy Mr. Pralhad Joshi announced in the Lok Sabha that India is generating 200 GW of renewable energy, with a pipeline of 430 GW, targeting 500 GW by 2030.

## Management Discussion and Analysis

### Growth in Energy Infrastructure

Source: [Business Insider India \(ANI\)](#)

Growing industrialization, urbanization, and rising incomes have led to India's energy consumption rising rapidly. According to a recent report by the India Energy and Climate Centre (IECC), India's energy consumption is expected to increase three to four-fold in the coming decade.

The report adds that India is projected to be the largest contributor to additional global energy demand between 2020-2040. In comparison to other industrialized economies, India lags by \$1-2 trillion in its energy infrastructure investment, which is likely to take place in the next 2-3 decades.

Per capita electricity consumption in India is low, but total electricity demand is growing at 8-9% per year, and is projected to double by 2030, compared to 2020. Because of global warming and increased pay-out capacity, electricity demand for cooling appliances is projected to increase six-fold by 2040.

### Electrical Power Generation and Distribution Sector

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 in the electrical power generation and distribution sector. 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.

### **Electrical Power Sector: Advantage India**

Source: <https://www.ibef.org/industry/power-sector-india> (Update July 2024)



Power is among the most critical components of infrastructure, crucial for the economic growth and welfare of nations. The existence and development of adequate power infrastructure is essential for sustained growth of the Indian economy. The fundamental principle of India's power industry has been to provide universal access to affordable power in a sustainable way. The Ministry of Power has made significant efforts over the past few years to turn the country from 'one with a power shortage' to 'one with a surplus' by establishing a single national grid, fortifying the distribution network, and achieving universal household electrification.

Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity and electrical power distribution infrastructure is required, where Marine Electricals has a key positioning.



# Management Discussion and Analysis

## Electrical Energy Market Size and Demand

(Source <https://www.ibef.org/industry/power-sector-india>)

India is the third-largest producer and consumer of electricity worldwide, with an installed power capacity of 429.96 GW as of January 31, 2024.

Total Power Generation in India (Billion Units)



Source : <https://powermin.gov.in/en/content/power-sector-glance-all-india>  
[https://powermin.gov.in/sites/default/files/uploads/power\\_sector\\_at\\_glance\\_June\\_2024.pdf](https://powermin.gov.in/sites/default/files/uploads/power_sector_at_glance_June_2024.pdf)

As of January 31, 2024, India's installed renewable energy capacity (including hydro) stood at 182.05 GW, representing 42.3% of the overall installed power capacity. As of April 30, 2024, Solar energy contributed 82.63 GW, followed by 46.16 GW from wind power, 10.35 GW from biomass, 5.00 GW from small hydropower, 0.59 from waste to energy, and 46.93 GW from hydropower.

India's power generation witnessed its highest growth rate in over 30 years in FY23. Power generation in India increased by 6.80% to 1,452.43 billion kilowatt-hours (kWh) as of January 2024. The peak power demand in the country stood at 243.27 GW in January 2024.

Thermal power plant load is estimated to improve by 63% in FY24, fuelled by strong demand growth along with subdued capacity addition in the sector.

Growth in Total Power Generation in India (%)



Source: <https://powermin.gov.in/en/content/power-sector-glance-all-india>  
[https://powermin.gov.in/sites/default/files/uploads/power\\_sector\\_at\\_glance\\_June\\_2024.pdf](https://powermin.gov.in/sites/default/files/uploads/power_sector_at_glance_June_2024.pdf)

## Management Discussion and Analysis

### Business Prospects / Investments (Industry)

Sources: CEA Reports, PIB releases and Union Budget; <https://powermin.gov.in/>

Total FDI inflows in the power sector reached US\$ 18.28 billion between April 2000 to March 2024, accounting for 2.69% of the total FDI inflow in India.

Some major investments and developments in the Indian power sector, which has direct or, indirect impact on our business prospects are as follows:

- Cumulative FDI inflow in the power sector has risen to US\$ 18.28 billion between April 2000-March 2024.
- India's electricity generation from renewable and non-renewable sources for FY21, FY22, and FY23 was 1,373.08 BU, 1,484.36 BU, and 1,617.72 BU, respectively; which is growing progressively and consistently.
- The power generation industry in India will require a total investment of Rs. 33 lakh crore (US\$ 400 billion) and 3.78 million power professionals by 2032 to meet the rising energy demands, as per the National Electricity Plan 2022-32.
- By 2031, the current installed nuclear power capacity is expected to rise from 7,480 MW to 22,480 MW because of the progressive completion of projects under construction and accorded sanction.
- As informed in August 2023, towards achieving carbon neutral Ladakh, NTPC is setting up a hydrogen fueling station, and solar plant and providing five fuel cell buses for operation on intracity routes of Leh.
- In August 2023, North Eastern Electric Power Corporation Limited (NEEPCO), a 100% subsidiary of NTPC, took a significant step towards sustainable energy development by signing a Memorandum of Agreement (MoA) with the Government of Arunachal Pradesh.
- In August 2023, Tata Power EV Charging Solutions Limited (TPEVCSL), a Tata Power group Company and Zoomcar, a leading marketplace for car sharing, entered into a Memorandum of Understanding (MoU) to promote widespread electric vehicle adoption and deliver a seamless, user-friendly charging experience to EV users nationwide.
- In June 2023, Tata Power, one of the leading players in the electric vehicle (EV) charging infrastructure space, collaborated with the Ayodhya Development Authority to set up EV charging points in public parking locations across the city.
- In June 2023, a Memorandum of Understanding (MoU) was signed between NHPC Limited and the Government of Odisha through GRIDCO Limited for "Development of Pumped Storage Projects (PSPs) and Renewable Energy in the State of Odisha".
- In May 2023, NTPC commenced its venture into hydrogen and energy storage solutions with the establishment of a hydrogen hub in Andhra Pradesh.
- In May 2023, TP Saurya Tata Power Trading Company Ltd. signed a power purchase agreement to set up a 200 MW solar project at Bikaner, Rajasthan.
- Adani Group is exploring a US\$ 3 billion investment in Vietnam's seaport ecosystem and wind and solar energy projects.
- In January 2023, the Union Cabinet (CCEA) approved investment of Rs. 2,614 crores (US\$ 315 million) 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.

## Management Discussion and Analysis

- 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, 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.
- 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.

## Management Discussion and Analysis

- 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.

### Way Forward:

In the current decade (2020-29), 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.

References: Central Electricity Authority, Ministry of New and Renewable Energy, Media Reports, Press Releases, Press Information Bureau (PIB), Union Budget 2022-23, Union Budget 2023-24

### 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. [The strong order book and production performance of PSU ship building yards such as MDL, CSL, and GRSE have resulted in their share prices zooming in the recent times. These are the symptoms of healthy business flows from the top progressively to the systems integrators, vendors and OEMs. Marine Electricals is a reputed and well established total solution provider or, systems integrator; in addition to being OEM for over 25 major product categories. Further,](#) 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:

Sr.No.	Project	Type	No of Ships	Shipyard	Notes
(a)	P17A	Frigates	07	Mazagon Dock Shipbuilders Ltd. & Garden Reach Shipbuilders Ltd.	Deliveries nearing completion. I&C services commenced
(b)	P15B	Destroyers	04	Mazagon Shipbuilders Ltd.	IBS Retrofit
(c)	Follow on 1135.6	Frigates Trikanth Class	02	Goa Shipyard Ltd.	Deliveries in full swing
(d)	Survey Vessel (L)	Survey Vessel	04	Garden Reach Shipbuilders Ltd.	Deliveries in full swing
(e)	Anti-Submarine Warfare Shallow Water Craft	Warship ASW SWC	16	Cochin Shipyard Ltd. Garden Reach Shipbuilders Ltd.	Deliveries in full swing
(f)	DSV	Diving Support Vessel	02	Hindustan Shipyard Ltd.	Deliveries nearing completion. I&C services commenced

## Management Discussion and Analysis

Ser	Project	Type	No of Ships	Shipyard	Notes
(g)	FSS	Fleet Support Ship (Tanker)	05	Hindustan Shipyard Ltd.	Under Construction
(h)	NG OPV	Next Gen Offshore Patrol Vessels	11	Goa Shipyard Limited (07), Garden Reach Shipbuilders & Engineers (04)	Orders in hand to execute
(i)	NG MV	Next Gen Missile Vessels	06	Cochin Shipyard Ltd.	Under Construction
(j)	MPVs	Multi-Purpose Vessels	02	L&T Shipbuilding	Under Construction
(k)	CTS	Cadet Training Ships	03	L&T Shipbuilding	Under Construction
(l)	P75 (1)	AIP Submarines	06	Strategic Partnership Model	Indigenization drive for Equipment is in progress
(m)	SSP/FDN - 3	Floating Dock (Navy)-3	01	Hindustan Shipyard Ltd.	Tendering Stage
(n)	DSC	Diving Support Craft	05	Titagarh Wagons	Under Construction
(o)	Arihant class	Ballistic missile submarine (SSBN)	03	Advanced Technology Vessel (ATV) program	Under Construction
(p)	Midget Submarine	For Special Forces	01	Mazagon Dock and Shipbuilders Ltd	Under Construction
	<b>Total</b>		<b>78</b>		

II. Shipbuilding Projects of the 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)	ASV-MCM, Autonomous Surface Vessels for Mine Counter Measure Operations	10
(b)	Survey Training Vessel	01
(c)	NGC, Next generation Corvettes	07
(d)	NGF, Next Generation Frigates	07
(e)	NGD, Next Generation Destroyers	08
(f)	IAC 2, Indian Aircraft Carrier - 2	01
(g)	Fast Interceptor Craft	20
(h)	Fast Interceptor Craft	20
(i)	FDN - MDL	01
(j)	National Hospital Ship	01
(k)	Midget Submarine (HSL)	02
(l)	Landing Crafts	06
(m)	Next Generation Fast Attack Crafts (NG FACs)	07
(n)	LPD, Landing Platform Dock	04
(o)	P-76 class attack submarine	06
	<b>Total</b>	<b>115</b>

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.

## Management Discussion and Analysis

- 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.

Sr. No.	Project	Quantity	Shipyard
(a)	Fast Patrol Vessel	08	Goa Shipyard Ltd (Awarded in Mar 22)
(b)	Training Ship	01	RDEL NCLT, Retender in progress
(c)	Interceptor Boats	15	BDIL
(d)	FSB	05	BDIL
(e)	Pollution Control Vessel	02	Goa Shipyard Limited
	<b>Total</b>	<b>28</b>	

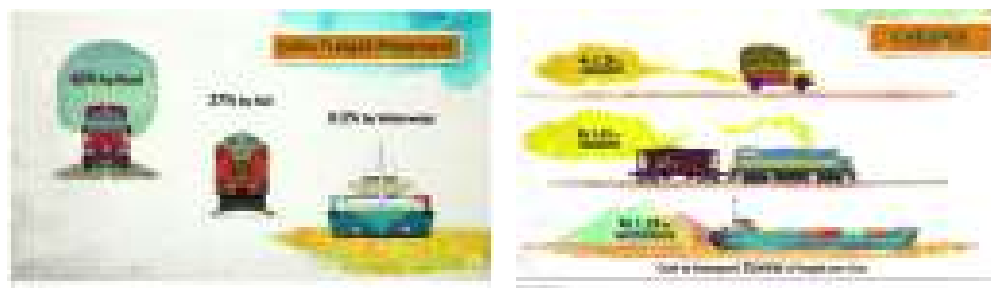
- V. Shipbuilding Projects of Coast Guard in Planning Phase: Which would add to the business target over coming decade:

Sr. No.	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
	<b>Total</b>	<b>30</b>

Marine Electricals' flagship equipment namely, Integrated Bridge System, NAVCOM systems including navigation radars, Navigation light control panel, Main Switchboard, assorted control panels for pumps, motors, HVAC etc, 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 grow.

2. **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:

### 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



## Management Discussion and Analysis

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.

### 3. 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.

### 4. New Business Endeavours:

#### (a) Marine Domain Awareness Solutions:

Maritime domain awareness solutions include an array of products and services from port management solutions, to vessel monitoring services etc. and ensure maritime safety using advanced vessel traffic systems to monitor activities at sea.

A Typical Vessel Tracking System



A Vessel Traffic System (VTS) is a service recommended by the IMO and IALA, which is implemented by a competent authority and designed to improve the safety and efficiency of vessel traffic and protect the environment. The service shall have the capability to interact with the traffic and respond to traffic situations developing in the vessel traffic service area. An advanced Vessel Traffic System incorporates various means of monitoring and surveillance sensors, such as, Radar, AIS, Camera, Radio communication, Meteorological

## Management Discussion and Analysis

instrument etc. to provide a real-time situational awareness to the VTS Operator to enable safe and efficient traffic management within its area of responsibility. A Vessel Traffic Service is usually implemented by Competent Authorities to monitor the Ports. Harbours. Rivers. Busy Waterways, Coastal Areas, Oil and Gas Production Areas.

Marine Electricals offers two such systems to enable smooth transit into the seas namely:-

- a) TITAN SENTINEL - AVTS for Solving Complex Issues of Large and Medium-Sized Ports
- b) TITANAVIPS - AVTS Designed for Small Ports

Marine solutions software is acquired from Xanatos, Canada with complete Transfer of Technology (ToT) and know-how. We have built further on this technology to offer customized solutions.

Since VTS is mandated by regulations for all ports and channels, a progressive upgrade of all harbor facilities in India is anticipated and therefore, this business segment is expected to grow faster.



Evigo, e-Mobility Solution

- c) E-Mobility solutions under brand 'Bijlify':

We are passionate about renewable energy and electric vehicle technologies. We drive sustainable mobility by providing smart, robust and durable charging infrastructure and charging management software to electric vehicles under the umbrella of our subsidiary Company, Evigo Charge Pvt. Ltd.

Our Chargers provide full control over user's energy usage by providing real time data on the EV Charging module. Our Charging solutions are compatible with every future electric vehicle. Having started our initiatives in 2018, we have the first mover advantages. Today, our products and software have stabilized and matured. We are fully geared with a competitive edge to take a lead in the e-Vehicle charging market.

**5. 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 (MEpowerR3), Busduct solution etc.
- Geographical Expansion in Industrials
- Expanding in South India with an R&D center in Bangalore.

## Management Discussion and Analysis

- Exploring acquisition opportunities to enter North & Eastern India
- Metro Rails: Electrical Products and Sensors
- Indian Railways: Electrical Equipment and Lights
- Ports: Vehicle 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

6. **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.

Year	Order Book*	Revenue/ Sales*	PBIT*
2023-24	60,100.00	53,372.69	3,780.96
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
2015-16	3,262.97	19,344.95	1,530.51

7. **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.

### 8. 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 thru 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.

### 9. 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.

## Management Discussion and Analysis

### 10 Statutory Compliance

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

### 11 Internal Control Systems

The company's internal audit 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.

### 12 Return on Networth (Consolidated)

The return on networth for the financial year 2023-24 is 10.08% as compared to 7.82% for the financial year 2022-23.

### 13 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 regard 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, 2024, 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 2023-24 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	23-02-2024	-

## Corporate Governance Report

**b) Details of the Directorships and Committee Chairmanship/membership held by the Directors in other public companies as on 31<sup>st</sup> March, 2024 are as under:**

Name of Director	Number of Equity Shares held	No. of Directorships in other Public Limited Companies	No. of Board Committees of other companies in which Member/Chairperson		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
			1&2		Member	Chairperson	
			Member	Chairperson	Member	Chairperson	
Mr. Vinay K Uchil	10,81,300	2	0	0	3	2	0
Mr. Venkatesh K Uchil	2,77,73,475	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:**

- 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.
- 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).
- Chairmanship/ Membership of Committee include the Audit Committee /Nomination & Remuneration Committee/Corporate Social Responsibility (CSR) Committee/Stakeholders' Relationship Committee in Marine Electricals (India) Limited.
- None of the Directors hold Directorship in more the Seven (7) Listed Entities as per Regulation 17A of the Listing Regulations.
- 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.
- 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.
- 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.
- None of the Directors have any inter-se relation among themselves except Mr. Vinay Uchil, Mr. Venkatesh Uchil and Dr. Tanuja Pudhierkar. Mr. Vinay Uchil is the brother of Mr. Venkatesh Uchil and Dr. Tanuja Pudhierkar. Mr. Venkatesh Uchil is the brother of Mr. Vinay Uchil and Dr. Tanuja Pudhierkar. Dr. Tanuja Pudhierkar is the sister of Mr. Vinay Uchil and Mr. Venkatesh Uchil.



## Corporate Governance Report

### c) Board Meetings

The Board met Six (5) times during the financial year 2023-24 viz. 29th May, 2023; 11th August, 2023, 16th October, 2023; 9th November, 2023; 14th February, 2024, and the particulars of attendance of the Directors are as under:

Name of Director	Attendance at AGM held on 26/09/2023	No. of Board meeting held during tenure	No. of meeting attended
Mr. Vinay K Uchil	Yes	5	5
Mr. Venkatesh K Uchil	Yes	5	5
Dr. Tanuja Pudhierkar	Yes	5	5
Mr. Shailendra Shukla	Yes	5	5
Mr. Madan Pendse	Yes	5	5
Mr. Nikunj Mishra	Yes	5	5
Mr. Vikas Jaywant	Yes	5	5
Mr. Mohan Rao	Yes	5	5
Ms. Archana Venkata Rajagopalan	Yes	5	4

### 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 28th March, 2024 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 its 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 2023-24 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

## Corporate Governance Report

### 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 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
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 :

## Corporate Governance Report

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 2024 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 5 (Five) times on 29th May, 2023, 11th August, 2023, 16th October, 2023, 9th November, 2023 and 14th February, 2024 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	5	5
Mr. Vikas Jaywant Non-Executive Independent Director	5	5
Mr. Venkatesh K Uchil Executive Director	5	5

# Corporate Governance Report

## **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;

## Corporate Governance Report

- 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:
- quarterly 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.

# Corporate Governance Report

## 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; 29th May, 2023 & 14th February, 2024

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)	2	2

## 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.



# Corporate Governance Report

## 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.

## Corporate Governance Report

- 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 2023-24 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)
	<b>Executive Director</b>				
1	Mr. Vinay K Uchil	-	72.5	-	-
2	Mr. Venkatesh K Uchil	-	72.5		--
	<b>Non-Executive Director</b>				
3	Mr. Madan Pendse	1.35	-	-	-
4	Mr. Nikunj Mishra	1.05	-	-	-
5	Mr. Vikas Jaywant	1.35	-	-	-
6	Mr. Mohan Rao	1.05	-	-	-
7	Ms. Archana Venkata Rajagopalan	0.90	-	-	-

### 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 2023-24.

#### 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.

## Corporate Governance Report

- **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 29th May, 2023.

**Name of the Committee Members along with their attendance during the financial year 2023-24 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

# Corporate Governance Report

## Designation & address of Compliance Officer

Mr. Deep Shah

Company Secretary of the Company

Marine Electricals (India) Limited

B/1, Udyog Sadan No.3, MIDC, Andheri (E), Mumbai - 400093

E-mail ID: [cs@marineelectricals.com](mailto:cs@marineelectricals.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, 2024.

## 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 01.04.2023 to 31.03.2024			
Complaints as on 01.04.2023	Received during the FY	Redressed during the FY	Pending as on 31.03.2024
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; 29<sup>th</sup> May, 2023.

**Name of the Committee Members along with their attendance during the financial year 2023-24 are given below:**

## Corporate Governance Report

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:-
  - 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;
  - the manner of execution of such projects or programmes as specified in subrule (1) of rule 4 of the Companies (CSR) Rules, 2014;
  - 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 exposing 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](https://www.marineelectricals.com/images/policies/Risk-Management-Policy-under-New-Companies-Act-GIL.pdf)

## Corporate Governance Report

### 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; 14th July, 2023 & 12th December, 2023.

**Name of the Committee Members along with their attendance during the financial year 2023-24 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. U.M. Bhaktavalsalan (Chief Financial Officer)	1	1

### 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.



## Corporate Governance Report

### • 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 12<sup>th</sup> 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 liaisoning 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 7<sup>th</sup> 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.

#### **Meetings & Attendance:**

During the year under review, the Committee on following dates 10.04.2023, 10.05.2023, 23.05.2023, 11.07.2023, 26.07.2023, 07.09.2023, 22.09.2023, 27.10.2023, 30.10.2023, 04.12.2023, 05.01.2024, 17.01.2024, 31.01.2024, 21.02.2024, 12.03.2024 and so on

Name of Members	No. of Committee meetings held during tenure	No. of Committee meeting attended
Mr. Vinay Uchil (Chairman and Executive Director)	15	15
Mr. Venkatesh Uchil (Managing Director)	15	15

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

#### **Composition:**

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

#### **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 liaisoning 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

## Corporate Governance Report

### • Senior Management:

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

During the year under review, Ms. Mitali Ambre tender her resignation from the post of Company Secretary and Compliance Officer with effect from 13<sup>th</sup> December, 2023. Mr. Deep Shah was appointed as Company Secretary and Compliance Officer in the Board Meeting held on 14<sup>th</sup> February, 2024. 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
<b>16<sup>th</sup> AGM 2022-23</b>	<b>26<sup>th</sup> September 2023</b>	11:30 am	Through Video conferencing	1. 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. 2. To approve revision in remuneration of Mr. Vinay Uchil (DIN: 01276871), Chairman & Executive Director of the Company. 3. To approve revision in remuneration of Mr. Venkatesh Uchil (DIN: 01282671), Chairman & Executive Director of the Company. 4. To Consider and Approve revised limits for transactions under section 185 of Companies Act, 2013.
<b>15<sup>th</sup> AGM 2021-22</b>	<b>19<sup>th</sup> September 2022</b>	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 11 <sup>th</sup> July, 2023 till 10 <sup>th</sup> 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 11 <sup>th</sup> July, 2023 till 10 <sup>th</sup> 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 30 <sup>th</sup> May, 2023 till 29 <sup>th</sup> 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.
<b>14<sup>th</sup> AGM 2020-21</b>	<b>28<sup>th</sup> September 2021</b>	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.

# Corporate Governance Report

Postal Ballot Resolution: There were no special resolutions passed through Postal Ballot during FY 2023-2024. 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 2023-24 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 2023-24 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. 17<sup>th</sup> Annual General Meeting

Day & Date : Friday, 27<sup>th</sup> September, 2024

Time : 3.00 pm

Venue : through Video Conferencing

## Corporate Governance Report

The Company follows the financial year from 1st April to 31st March. The Financial Year was from April 01, 2023 to March 31, 2024.

### Results for the Quarter ending (Tentative):

June 30, 2024 on or before 14th August, 2024

September 30, 2024 on or before 14th November, 2024

December 31, 2024 on or before 14th February, 2025

March 31, 2025 on or before 30th May, 2025

### 2. Dividend:

Rs 0.20 Per Share Dividend has been recommended for the financial year ended 31<sup>st</sup> March, 2024.

Cut of Date : 20<sup>th</sup> September, 2024

### 3. Unclaimed Dividends

As on 31<sup>st</sup> March, 2024, the company has Rs. 87103.60- 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

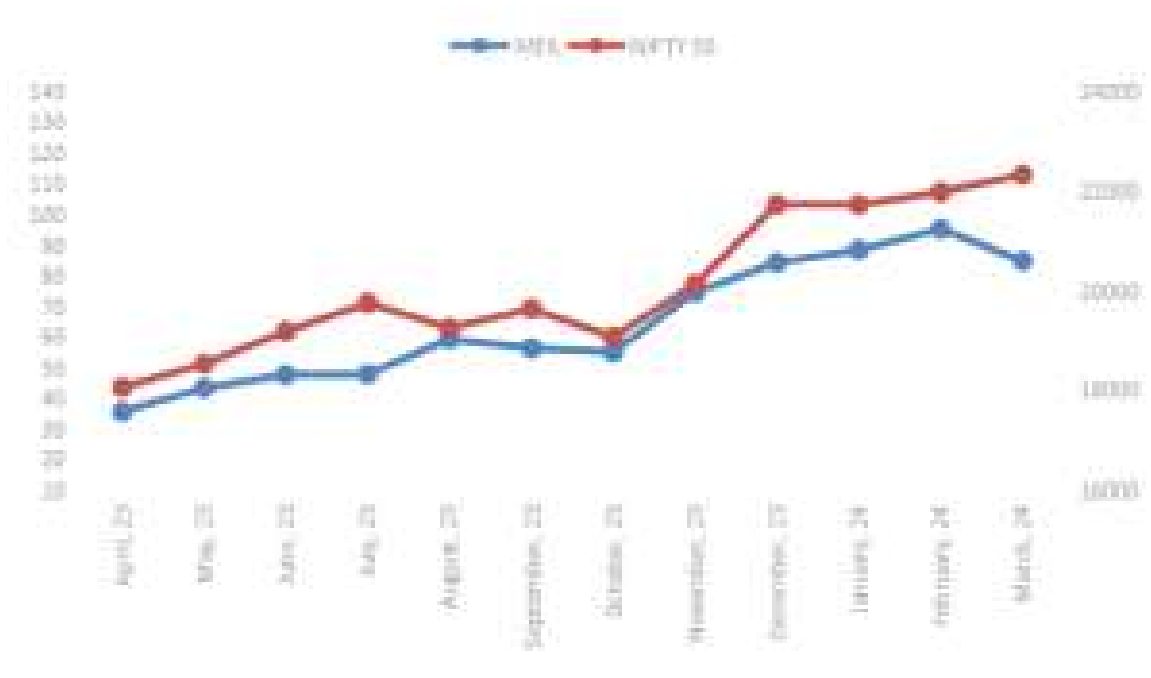
(a) Stock Exchange	Stock Code
National Stock Exchange of India Ltd.	MARINE
(b) Demat ISIN Number in NSDL & CDSL for Equity Shares	INE01JE01028

### 1. Stock Market Data:

Month	National Stock Exchange (NSE)		Traded Value (Lakhs)
	High (Rs.)	Low (Rs.)	
April-2023	49.30	35.65	6,207.12
May-2023	57.45	43.35	11,077.28
June-2023	54.00	47.65	5,326.25
July-2023	67.50	47.95	12,782.80
Aug -2023	73.85	59.25	9,580.25
Sep-2023	67.95	56.30	2,968.48
Oct-2023	80.10	55.10	5,823.82
Nov -2023	97.20	74.55	6,560.54
Dec-2023	102.60	84.20	5,636.48
Jan-2024	106.50	88.35	4,740.89
Feb -2024	122.90	95.20	10,702.13
Mar -2024	110.50	84.75	4,478.10

# Corporate Governance Report

## 2. Performance of Marine Electricals (India) Limited share price



## 3. 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](http://www.bigshareonline.com)

Tel No: 022-62638200/022-62638295

Email id: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

## 4. 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:

- Issue of duplicate share certificate
- Claim from unclaimed suspense account
- Renewal/Exchange of securities certificate
- Endorsement
- Sub-division / splitting of securities certificate
- Consolidation of securities certificates/folios
- Transmission
- Transposition

## Corporate Governance Report

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.

## **5. Distribution of Shareholding as on March 31, 2024**

Range	No. of shareholders	% of total shareholders	No. of Shares held	% of Shareholding
1 to 500	42958	83.98	4751779	3.5818
501 to 1000	3746	7.32	3071496	2.3152
1001 to 2000	2060	4.02	3144724	2.3704
2001 to 3000	759	1.48	1966061	1.48
3001 to 4000	330	0.64	1195351	0.9010
4001 to 5000	356	0.69	1698499	1.2803
5001 to 10000	502	0.98	3837456	2.8923
10001 and above	441	0.86	112999884	85.18
<b>Total</b>	<b>51152</b>		<b>132665250</b>	<b>100</b>

During the year, 63,50,000 (31 March 2023: 36,50,000) Convertible Warrants have been converted into equivalent number of equity shares by the Promoters/Non-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. 15,00,000 (31 March 2023: 36,50,000) equity shares issued on conversion of warrants are reflected in Benpos report of the Company subsequent to year end.



## Corporate Governance Report

### 6. Shareholding Pattern as on March 31, 2024

Category	No. of shares held	% of shareholding
<b>Promoter Holding</b>		
Total promoter & promoter group holdings	9,44,17,620	71.17
<b>Non Promoter Holding</b>		
<b>Institutions</b>		
Foreign Portfolio Investor	2,05,589	0.15
Financial Institutions / Banks	-	-
Mutual Funds	-	-
Alternate Investment Funds		
<b>Central/State Government</b>		
Central Government	-	-
<b>Non-Institutions</b>		
Foreign Bodies Cooperates	-	-
Other Bodies Corporate	24,94,869	1.88
Public	3,21,28,605	24.10
Non Resident Indians	15,21,515	1.15
Clearing Member	73,483	0.06
HUF	18,23,569	1.37
<b>Grand Total</b>	<b>13,26,65,250</b>	<b>100</b>

During the year, 63,50,000 (31 March 2023: 36,50,000) Convertible Warrants have been converted into equivalent number of equity shares by the Promoters/Non-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. 15,00,000 (31 March 2023: 36,50,000) equity shares issued on conversion of warrants are reflected in Benpos report of the Company subsequent to year end.

### 7. Dematerialization of shares and liquidity

As of March 31, 2024, 13,26,61,250 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, 4 <sup>th</sup> 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.

### 8. Outstanding GDRs/ADRs/Warrants or any convertible Instruments

As on date the Company has not issued these types of securities.

# Corporate Governance Report

## 9. 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.

## 10. 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 issued/paid up capital is in agreement with the total number of dematerialized shares held with NSDL and CDSL.

## 11. 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

## 12. 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](http://www.bigshareonline.com) Tel No: 022-62638200/022-62638295

Email id: [investor@bigshareonline.com](mailto: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](mailto:cs@marineelectricals.com)

Web: [www.marineelectricals.com](http://www.marineelectricals.com)

## 13. Credit Rating

During the year under review the Company has obtain credit rating on 28th March, 2024.

Sr. No	Particulars	Rating
1	Long-term ratings:	[ICRA]BBB(Stable); reaffirmed
2	Short-term: Ratings	[ICRA]A3+; reaffirmed

The said credit rating report has been also put on the website of the Company at <https://www.marineelectricals.com/credit-rating/>

## 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

## Corporate Governance Report

to note no. 47 in the standalone and consolidated financial statements respectively sets out related party disclosures and they are not in conflict with the interest of the Company at large. 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 2023- 24 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 said policy has been also put on the website of the Company 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

## Corporate Governance Report

(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 rest of allottees and made an allotment of total of 63,50,000 Equity shares the details are as under.

Sr. No.	Name of Allottees	No of Shares	Date
1	Vinay Krishna Uchil	350000	11-Aug-23
2	Ms. Aarti Mukesh Bhanushali	650000	11-Aug-23
3	Mr. Manoj Bishan Mittal	550000	11-Aug-23
4	Mr. Mukesh Kanji Bhanushali	650000	02-Oct-23
5	Mr. Bishan Narain Mittal	200000	02-Oct-23
6	Mittal Capital Finvest Private Limited	200000	02-Oct-23
7	Ms. Bhavika Mittal	50000	02-Oct-23
8	Aptrans Portfolio Private Limited	600000	24-Nov-23
9	Mr. Vishnukumar Vitthaldas Patel	250000	31-Jan-24
10	Mr. Harsh Vishnubhai Patel	250000	31-Jan-24
11	Ms. Ashaben Vishnukumar Patel	250000	31-Jan-24
12	Ms. Zalak Bipinchandra Patel	250000	31-Jan-24
13	Ms. Dhvani Bimal Mehta	600000	20-Feb-24
14	Ms. Yogita Manoj Mittal	200000	29-Feb-24
15	M/s. Bishan Narain Mittal HUF	700000	29-Feb-24
16	Mr. Bimal Natvarlal Mehta	600000	16-Mar-24

The details of utilization of funds are given hereunder:

Particulars	Amount in Lakhs
Funds raised through allotment of 15,50,000 fully paid-up equity shares against conversion of equal number of warrants. (A)	Rs. 340.03
Funds raised through allotment of 11,00,000 fully paid-up equity shares against conversion of equal number of warrants. (B)	Rs. 241.31
Funds raised through allotment of 6,00,000 fully paid-up equity shares against conversion of equal number of warrants (C)	Rs. 131.625
Funds raised through allotment of 10,00,000 fully paid-up equity shares against conversion of equal number of warrants (D)	Rs. 219.375
Funds raised through allotment of 6,00,000 fully paid-up equity shares against conversion of equal number of warrants (E)	Rs. 131.625
Funds raised through allotment of 9,00,000 fully paid-up equity shares against conversion of equal number of warrants (F)	Rs. 197.43
Funds raised through allotment of 6,00,000 fully paid-up equity shares against conversion of equal number of warrants (G)	Rs. 131.625

## Corporate Governance Report

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 2023-24, the company has given loan to Evigo Charge Private Limited subsidiary of the company amounting to Rs. 52.50 Lakhs and Loan of Xanatech Synergies Private Limited subsidiary of the company amounting to Rs. 112.45 Lakhs.

- (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, 2024. 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 6 (Six) 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 have any associate company & joint venture. All requirements with regard to subsidiary and associate 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 Liability 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, 2024.

## Corporate Governance Report

(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 42 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>

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) (2nd 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



## Corporate Governance Report

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/-**

**Mr. Vinay K. Uchil**

**Chairman and Executive Director**

**DIN: 01276871**

**Sd/-**

**Mr. Venkatesh K. Uchil**

**Managing Director**

**DIN: 01282671**

**Date: 12<sup>th</sup> August, 2024**

**Place: Mumbai**

# Corporate Governance Report

## 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, 2024.

**For Marine Electricals (India) Limited**

**Sd/-**  
Venkatesh Uchil  
Managing Director  
DIN:- 01282671

Date: 12<sup>th</sup> August, 2024

Place: Mumbai

# Corporate Governance Report

## 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, 2024. 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: F007569F000958521

Date : 12<sup>th</sup> August, 2024  
Place: Mumbai

# Corporate Governance Report

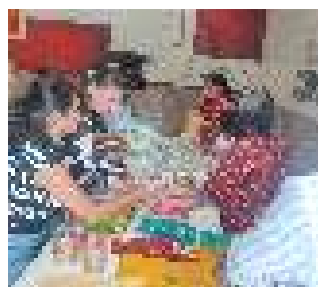
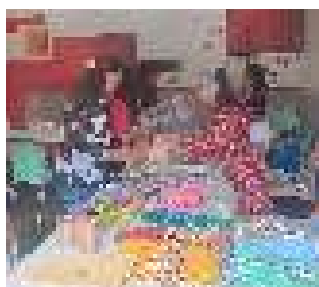
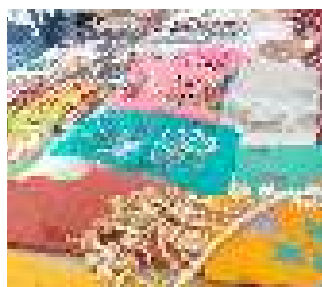
## Corporate social responsibility

### 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 2023-24, 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 Rs. 4.40 Lakhs was provided.



# 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 2024, 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 31 March 2024, 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 67 included in notes to the standalone financial statements regarding the fact that the Company had paid an advance of USD 8,00,000 to a supplier in China during the financial year 2017-18 for procurement of solar PV modules carried at Rs 584.48 lakhs as at 31 March 2023. Due to non-receipt of the material from the supplier and since the supplier has filed for insolvency during the year, the Company has determined that the said advance is no longer recoverable and the entire amount of Rs 584.48 lakhs have been charged to standalone statement of profit and loss in the current financial year ended 31 March 2024.

### 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.

## Independent Auditors' Report

Sr. No.	Key Audit Matters	Auditor's response
1	<p><b>Revenue recognition accuracy, measurement, presentation and disclosure</b></p> <p>Revenue is measured based on transaction price, which is the consideration. As disclosed in Note 3.7 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.</p> <p>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.</p>	<p>Our audit procedures included following:</p> <ul style="list-style-type: none"> <li>• Considering the appropriateness of the management's accounting policies regarding revenue recognition;</li> <li>• Obtained an understanding of management's process over revenue recognition and evaluated design of internal controls around revenue recognition;</li> <li>• Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing;</li> </ul>

### 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



## Independent Auditors' Report

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 section 143(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.

## Independent Auditors' Report

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 2024 from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". 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 2024 – Refer Note 53 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 2024;
    - 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 2024;
    - 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;

## Independent Auditors' Report

- (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 2024.
  - vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that the audit log is not maintained in case of modification by certain users with specific access and for direct data changes at the database level.
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:24093079BKFVDC4337

Mumbai, May 29, 2024

## Independent Auditors' Report

### Annexure A to the Independent Auditors' Report - 31 March 2024

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 2024, 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, 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
<b>Aggregate amount during the year ended</b>		
- Subsidiaries	4,170.72	169.55
- Others (employees)	-	16.40
<b>Balance outstanding as at balance sheet date in respect of above cases</b>		
- Subsidiaries	1,670.72	164.95
- Others (employees)	-	11.91

## Independent Auditors' Report

- (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 respect 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. In respect of interest bearing unsecured loans granted to companies, the schedule of repayment of principal and payment of interest has not been stipulated:

(Rs. in lakhs)

Name of Entity	Nature	Amount outstanding	Remarks
Evigo Charge Private Limited	Loan	52.50	Repayment of principal and interest is not stipulated
Xanatech Synergies Private Limited	Loan	112.45	Repayment of principal and interest is not stipulated

Hence, we are unable to make a specific comment on the regularity of repayment of principal and payment of interest in respect of such loan.

- (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 granted unsecured loans during the year which are either repayable on demand or without specifying any terms or period of repayment to companies. Of these following are the details of the aggregate amount of loans granted to promoters or related parties as defined in Clause (76) of Section 2 of the Companies Act 2013 ("the Act").

(Rs. in lakhs)

Particulars	Related parties	Promoters
Aggregate amount of loans outstanding:		
- Repayable on demand	164.95	-
Percentage of loans to the total loans	42.57%	-

- (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

## Independent Auditors' Report

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	1.98
The Income tax Act 1961	Income tax and interest	Commissioner (Appeals)	A.Y. 2021-22	30.31	-
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	-
Maharashtra Goods and Services Tax Act, 2017	Tax, interest and penalty	Deputy Commissioner of State Tax	F.Y. 2018-19	94.16	-
Goa Goods and Services Tax Act, 2017	Tax, interest and penalty	Commercial Tax officer	F.Y. 2018-19	6.33	-
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.



## Independent Auditors' Report

- (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 or associate (as defined under the act). The Company does not hold any investment in any joint venture (as defined under the Act) during the year ended 31 March 2024. 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 or associate (as defined under the act). The Company does not hold any investment in any joint venture (as defined under the act) during the year ended 31 March 2024. 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 (on conversion of 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 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	1,393.03	-	-

- (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.

## Independent Auditors' Report

- (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, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, 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:24093079BKFVDC4337

Mumbai, May 29, 2024

# Independent Auditors' Report

## Annexure B to the Independent Auditors' Report – 31 March 2024

### 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 2024 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 2024, 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

## Independent Auditors' Report

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

UDIN:24093079BKFVDC4337

Mumbai, May 29, 2024

# Standalone Balance Sheet

as at 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	3,046.80	2,980.65
Right of use asset	5	390.46	306.22
Capital work in progress	6	303.93	-
Investment property	7	569.45	503.81
Other intangible assets	8	556.08	154.04
Intangible asset under development	9	246.21	-
Financial assets			
Investments	10	3,599.68	2,562.85
Other financial assets	11	2,511.80	2,083.31
Deferred tax assets (net)	12	120.22	41.54
Other non-current assets	13	1,442.42	1,542.80
Non-current tax assets (net)	14	65.39	29.93
<b>Total non-current assets</b>		<b>12,852.44</b>	<b>10,205.14</b>
<b>Current assets</b>			
Inventories	15	7,345.91	4,441.66
Financial assets			
Trade receivables	16	26,241.85	17,438.04
Cash and cash equivalents	17	133.30	11.81
Bank balances other than cash and cash equivalents	18	1,611.12	1,601.60
Loans	19	497.30	393.18
Other financial assets	20	650.18	587.80
Other current assets	21	2,565.08	2,553.59
<b>Total current assets</b>		<b>39,044.74</b>	<b>27,027.68</b>
<b>Total assets</b>		<b>51,897.18</b>	<b>37,232.82</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	22	2,653.31	2,526.31
Other equity	23	19,621.81	15,481.51
<b>Total equity</b>		<b>22,275.12</b>	<b>18,007.82</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	24	2,265.84	1,800.76
Lease liabilities	25	115.84	57.27
Other financial liabilities	26	74.23	108.00
Other non-current liabilities	27	24.89	-
Provisions	28	374.26	322.17
<b>Total non-current liabilities</b>		<b>2,855.06</b>	<b>2,288.20</b>

# Standalone Balance Sheet

as at 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	29	5,212.10	3,597.19
Lease liabilities	25	40.31	0.88
Trade payables:	30		
- Micro and small enterprises		104.65	95.19
- Other than micro and small enterprises		17,807.42	10,447.22
Other financial liabilities	31	481.41	311.53
Other current liabilities	32	2,617.93	2,294.18
Provisions	33	62.79	16.76
Current tax liabilities (net)	34	440.39	173.85
<b>Total current liabilities</b>		<b>26,767.00</b>	<b>16,936.80</b>
<b>Total liabilities</b>		<b>29,622.06</b>	<b>19,225.00</b>
<b>Total equity and liabilities</b>		<b>51,897.18</b>	<b>37,232.82</b>

Summary of material accounting policies

3

The accompanying notes form an integral part of these standalone financial statements

1 to 71

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

**Deep Shah**

Company Secretary and Compliance Officer

Place : Mumbai,

Date : 29 May 2024

Place : Mumbai,

Date : 29 May 2024

Place : Mumbai,

Date : 29 May 2024



# Standalone Statement Of Profit And Loss

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Income</b>			
Revenue from operations	35	53,372.69	39,127.13
Other income	36	767.40	613.40
<b>Total income</b>		<b>54,140.09</b>	<b>39,740.53</b>
<b>Expenses</b>			
Cost of materials consumed	37	43,551.42	28,215.20
Changes in inventories of finished goods and work-in-progress	38	(2,680.81)	1,405.34
Employee benefits expense	39	3,230.70	2,567.32
Finance costs	40	1,040.05	862.15
Depreciation and amortization expense	41	670.33	612.57
Other expenses	42	4,547.44	3,441.41
<b>Total expenses</b>		<b>50,359.13</b>	<b>37,103.99</b>
<b>Profit before tax</b>		<b>3,780.96</b>	<b>2,636.54</b>
<b>Income Tax expense / (credit):</b>	43		
Current tax		1,015.94	656.31
Adjustment in respect of tax for earlier years		8.42	(23.55)
Deferred tax charge / (credit)		(78.62)	53.16
		<b>945.74</b>	<b>685.92</b>
<b>Profit after tax</b>		<b>2,835.22</b>	<b>1,950.62</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement of defined benefit plans		(0.24)	18.14
Income tax relating to items that will not be reclassified to profit or loss		0.06	(4.56)
<b>Other comprehensive income / (loss) for the year</b>		<b>(0.18)</b>	<b>13.58</b>
<b>Total comprehensive income for the year</b>		<b>2,835.04</b>	<b>1,964.20</b>

<b>Earning per share ("EPS")</b>	44		
- Basic earning per equity share of face value of Rs 2 each		2.21	1.59
- Diluted earning per equity share of face value of Rs 2 each		2.21	1.56

Summary of material accounting policies 3  
The accompanying notes form an integral part of these 1 to 71  
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

**Venkatesh Uchil**  
Managing Director  
DIN: 01282671

**U.M. Bhakthavalsalan**  
Chief Financial Officer

Place : Mumbai,  
Date : 29 May 2024

Place : Mumbai,  
Date : 29 May 2024

**For and on behalf of the Board of Directors**  
**Marine Electricals (India) Limited**

**Vinay Uchil**  
Chairman and Executive Director  
DIN: 01276871

**Deep Shah**  
Company Secretary and Compliance Officer

Place : Mumbai,  
Date : 29 May 2024

## Standalone Statement of Changes in Equity

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### A. Equity share capital

As at 31 March 2024

Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
2,526.31	127.00	2,653.31

As at 31 March 2023

Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
2,453.31	73.00	2,526.31

### B. Other equity

As at 31 March 2024

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 the year	4,978.17	708.10	9,038.44	292.46	464.34	15,481.52
Profit for the year	-	-	2,835.22	-	-	2,835.22
Other comprehensive income for the year	-	-	(0.18)	-	-	(0.18)
Fair value of financial guarantee transferred to other component of equity	-	-	-	39.21	-	39.21
Subscription money received on allotment of share warrants	-	-	-	-	-	-
Securities premium received / Utilisation of subscription money on conversion of share warrants into equity shares	1,730.38	-	-	-	(464.34)	1,266.04
<b>Balance at the end of the year</b>	<b>6,708.55</b>	<b>708.10</b>	<b>11,873.49</b>	<b>331.67</b>	<b>-</b>	<b>19,621.81</b>

As at 31 March 2023

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 the year	3,983.54	708.10	7,074.25	196.87	-	11,962.76
Profit for the year	-	-	1,950.62	-	-	1,950.62
Other comprehensive income for the 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
<b>Balance at the end of the year</b>	<b>4,978.17</b>	<b>708.10</b>	<b>9,038.44</b>	<b>292.46</b>	<b>464.34</b>	<b>15,481.52</b>

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

**Venkatesh Uchil**

Managing Director

DIN: 01282671

**U.M. Bhakthavalsalan**

Chief Financial Officer

Place : Mumbai,

Date : 29 May 2024

For and on behalf of the Board of Directors

**Marine Electricals (India) Limited**

**Vinay Uchil**

Chairman and Executive Director

DIN: 01276871

**Deep Shah**

Company Secretary and Compliance Officer

Place : Mumbai,

Date : 29 May 2024

## Standalone Cash Flow Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Cash flows from operating activities</b>		
Profit before tax	3,780.96	2,636.54
<b>Adjustments:</b>		
Depreciation and amortization	670.33	612.57
Sundry balances written off	22.88	11.50
Bad debts written off	630.82	181.89
Finance costs	1,040.05	862.15
Liabilities/ sundry balances written back	(93.91)	(14.70)
Allowance for expected credit loss (net)	58.15	(24.69)
Share of profit in a partnership firm	(176.79)	(196.94)
(Profit)/Loss on sale of property, plant and equipment (net)	-	(41.08)
Rental income	(201.78)	(73.23)
Interest income on financial instruments at amortised cost	(2.97)	(4.73)
Interest income on inter corporate loan	(28.74)	(22.69)
Interest income on advance towards purchase of equity instruments	-	(12.07)
Finance guarantee income	(0.86)	(0.70)
<b>Operating cash flows before working capital changes</b>	<b>5,698.14</b>	<b>3,913.82</b>
<b>Working capital movements:</b>		
(Increase) / Decrease in inventories	(2,904.25)	1,252.78
(Increase) / Decrease in trade receivables	(9,492.78)	(5,679.70)
(Increase) / Decrease in bank balances other than cash and cash equivalents	(9.52)	(857.44)
(Increase) / Decrease in other financial assets	(434.18)	(1,868.47)
(Increase) / Decrease in other assets	(12.95)	(32.52)
Increase / (Decrease) in trade payables	7,463.57	2,524.13
Increase / (Decrease) in other financial liabilities	152.79	(13.44)
Increase / (Decrease) in other liabilities	348.64	693.02
Increase / (Decrease) in provisions	97.88	47.51
<b>Cash generated from operations</b>	<b>907.34</b>	<b>(20.31)</b>
Income taxes paid, net	(795.05)	(597.94)
<b>Net cash flows generated from / (used in) operating activities (A)</b>	<b>112.29</b>	<b>(618.25)</b>
<b>Cash flows from investing activities</b>		
Purchase of property plant and equipment, investment property and intangible assets (including movement in capital advances, creditors for property, plant and equipment, capital work in progress and intangible assets under development)	(1,739.15)	(2,017.46)
Proceeds from sale of property, plant and equipment	-	63.54
Rental income received	134.29	67.29
Acquisition of equity interest in subsidiaries	(623.50)	(516.16)
Acquisition of equity interest in associates	(135.68)	-
Payment towards acquisition of additional stake in a subsidiary (partnership firm)	-	(197.93)
Loans (given) / repaid (net)	(62.13)	(121.55)
<b>Net cash flows generated from / (used in) investing activities (B)</b>	<b>(2,426.17)</b>	<b>(2,722.27)</b>
<b>Cash flows from financing activities</b>		
Proceeds from allotment of share warrants	-	464.34
Proceeds from allotment on equity shares (including securities premium)	1,393.03	1,067.63
Proceeds from / (repayment of) non current borrowings (net)	175.19	1,556.63
Proceeds from / (repayment of) current borrowings (net)	1,904.80	1,066.39
Finance costs paid	(988.19)	(756.65)
Repayment of lease liabilities (net of finance cost)	(49.46)	(69.65)
<b>Net cash flows generated from / (used in) financing activities ©</b>	<b>2,435.37</b>	<b>3,328.69</b>

## Standalone Cash Flow Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	121.49	(11.83)
Cash and cash equivalents at the beginning of the year	11.81	23.64
<b>Cash and cash equivalents at the end of the year</b>	<b>133.30</b>	<b>11.81</b>

1. Component of cash and cash equivalents:

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	5.22	6.98
Balances with banks	128.08	4.83
<b>Total cash and cash equivalents</b>	<b>133.30</b>	<b>11.81</b>

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 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

**Venkatesh Uchil**

Managing Director

DIN: 01282671

**U.M. Bhakthavalsalan**

Chief Financial Officer

Place : Mumbai,

Date : 29 May 2024

Place : Mumbai,

Date : 29 May 2024

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

**Marine Electricals (India) Limited**

**Vinay Uchil**

Chairman and Executive Director

DIN: 01276871

**Deep Shah**

Company Secretary and Compliance Officer

Place : Mumbai,

Date : 29 May 2024

# Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(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 2024 were authorised and approved for issue by the Company's Board of Directors at its meeting held on 29 May 2024.

### 2.2 Basis of preparation and measurement

These standalone 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 standalone 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.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

## 2.3 Functional and presentation currency

These standalone 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.

## 2.4 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.

## 2.5 Critical accounting judgements and use of estimates

The preparation of standalone 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 standalone 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 standalone 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



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

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.

### 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.

## 2.6 New and amended standards

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. As on 31 March 2024, no new standards or amendments are issued or notified.

## 3. Summary of Material Accounting Policies

### 3.1 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.

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 uestful 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

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

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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.

### 3.2 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.

### 3.3 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 uestful 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.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 3.4 Research and development cost

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

1. The technical feasibility of completing the intangible asset so that the asset will be available for use or sale,
2. Its intention to complete and its ability and intention to use or sell the asset,
3. How the asset will generate future economic benefits,
4. The availability of resources to complete the asset
5. The ability to measure reliably the expenditure during development.

Development expenditure till date of capitalization are disclosed under Intangible Assets under development. Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use.

### 3.5 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 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.

### 3.6 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.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

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.

### 3.7 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.

### 3.8 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

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

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'.

### 3.9 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. 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.

#### 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.

### 3.10 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:

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

- 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.

### 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.



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

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.

### **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.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 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.

## 3.11 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.

### 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 standalone Financial Statements

Contingent assets are not recognized in the standalone financial statements. However, it is disclosed only when an inflow of economic benefits is probable.

## 3.12 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.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 3.13 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.

##### (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.

### 3.14 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'.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

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.

### **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.

### **3.15 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.

### **3.16 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.

### **3.17 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.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### 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
<b>Gross block:</b>									
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)
<b>As at 31 March 2023</b>	<b>47.86</b>	<b>2,230.68</b>	<b>1,476.90</b>	<b>73.08</b>	<b>148.37</b>	<b>17.48</b>	<b>101.43</b>	<b>153.06</b>	<b>4,248.86</b>
Additions	43.59	65.96	133.10	81.65	21.18	40.59	116.33	13.40	515.79
Disposals	-	-	-	-	-	-	-	-	-
<b>As at 31 March 2024</b>	<b>91.45</b>	<b>2,296.64</b>	<b>1,610.00</b>	<b>154.73</b>	<b>169.55</b>	<b>58.07</b>	<b>217.76</b>	<b>166.46</b>	<b>4,764.65</b>
<b>Accumulated depreciation:</b>									
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)
<b>As at 31 March 2023</b>	<b>-</b>	<b>642.51</b>	<b>390.36</b>	<b>51.44</b>	<b>57.67</b>	<b>12.19</b>	<b>54.64</b>	<b>59.40</b>	<b>1,268.21</b>
Charge for the year	-	161.17	186.52	22.64	24.88	7.39	20.96	26.09	449.64
Disposals	-	-	-	-	-	-	-	-	-
<b>As at 31 March 2024</b>	<b>-</b>	<b>803.68</b>	<b>576.88</b>	<b>74.08</b>	<b>82.55</b>	<b>19.58</b>	<b>75.60</b>	<b>85.49</b>	<b>1,717.85</b>
<b>Net block:</b>									
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
As at 31 March 2024	91.45	1,492.96	1,033.12	80.65	87.00	38.49	142.16	80.97	3,046.80

#### Notes:

- Refer note 24 and 29 for information on property, plant and equipment pledged as security by the Company.
- Refer note 54 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- The title deeds of all the immovable properties are held in the name of the Company.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 5 Right-of-use assets

Particulars	Premises	Equipment	Land	Total
<b>Gross block:</b>				
<b>As at 31 March 2022</b>	<b>736.79</b>	<b>148.34</b>	<b>395.96</b>	<b>1,281.08</b>
Additions	-	-	-	-
Disposals	-	-	-	-
<b>As at 31 March 2023</b>	<b>736.79</b>	<b>148.34</b>	<b>395.96</b>	<b>1,281.08</b>
Additions	147.46	-	-	<b>147.46</b>
Disposals	-	-	-	-
<b>As at 31 March 2024</b>	<b>884.25</b>	<b>148.34</b>	<b>395.96</b>	<b>1,428.54</b>
<b>Accumulated depreciation :</b>				
<b>As at 31 March 2022</b>	<b>704.51</b>	<b>111.88</b>	<b>67.32</b>	<b>883.71</b>
Charge for the year	32.28	36.46	22.41	91.15
Disposals	-	-	-	-
<b>As at 31 March 2023</b>	<b>736.79</b>	<b>148.34</b>	<b>89.73</b>	<b>974.86</b>
Charge for the year	40.74	-	22.48	<b>63.22</b>
Disposals	-	-	-	-
<b>As at 31 March 2024</b>	<b>777.53</b>	<b>148.34</b>	<b>112.21</b>	<b>1,038.08</b>
<b>Net block:</b>				
<b>As at 31 March 2023</b>	<b>-</b>	<b>-</b>	<b>306.22</b>	<b>306.22</b>
<b>As at 31 March 2024</b>	<b>106.71</b>	<b>-</b>	<b>283.75</b>	<b>390.46</b>

#### Note:

Lease deeds of all right-of-use assets are held in the name of the Company.

### 6 Capital work in progress

Particulars	Amount
<b>As at 31 March 2022</b>	<b>198.79</b>
Addition during the year	-
Capitalised during the year	(198.79)
<b>As at 31 March 2023</b>	<b>-</b>
Addition during the year	388.93
Capitalised during the year	(85.00)
<b>As at 31 March 2024</b>	<b>303.93</b>

#### Notes:

- Refer note 57 for capital work in progress ageing.
- There is no project under capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan.



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 7 Investment property

Particulars	Buildings
<b>Gross block:</b>	
As at 31 March 2022	715.99
Additions	47.57
Disposals	-
As at 31 March 2023	763.56
Additions	125.00
Disposals	-
As at 31 March 2024	888.56
<b>Accumulated depreciation :</b>	
As at 31 March 2022	204.03
Charge for the year	55.72
Disposals	-
As at 31 March 2023	259.75
Charge for the year	59.36
Disposals	-
As at 31 March 2024	319.11
<b>Net block:</b>	
As at 31 March 2023	503.81
As at 31 March 2024	569.45

#### 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 29 for information on investment property pledged as security by the Company.
  - (iii) (a) As at 31 March 2024, the fair value of the property has been updated to Rs. 2,327.60 lakhs. This represents a revision from the previous year's fair value of Rs. 2,917.04 lakhs.
  - (b) For the year ended 31 March 2024, the fair value of the Company's investment property has been determined using the ready reckoner rate published by local municipal authorities, rather than an independent valuation report. The ready reckoner rate provides a standardized valuation for properties similar in type and location for tax and regulatory purposes.
- For the year ended 31 March 2023, the fair value of the Company's investment property was based on valuation performed by an accredited independent valuer in the financial year ended 31 March 2022. The management believed that there was no significant fluctuation in the fair value of the property during the year ended 31 March 2023. The fair value of the Company's investment property was 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) The management believes that the ready reckoner rate is a reliable estimate of the property's fair value, considering the relative stability in property values and minimal market fluctuations during the year.
  - (d) Details of the Company's investment property and information about the fair value hierarchy is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Assets for which fair values are disclosed</b>		
<b>Investment property</b>		
Level 1	-	-
Level 2	-	-
Level 3	2,327.60	2,917.04

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

- e) Amounts recognised in statement of profit and loss related to investment properties (excluding depreciation and finance costs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Rental income from investment property	120.60	60.03
Direct operating expenses arising from investment property that generated rental income during the year	5.43	5.43

### 8 Other intangible assets

Particulars	License	Softwares	Customer Acquisition	Total
<b>Gross block:</b>				
<b>As at 31 March 2022</b>	<b>67.50</b>	<b>45.81</b>	<b>-</b>	<b>113.31</b>
Additions	-	36.83	100.00	136.83
Disposals	-	-	-	-
<b>As at 31 March 2023</b>	<b>67.50</b>	<b>82.64</b>	<b>100.00</b>	<b>250.14</b>
Additions	-	500.15	-	500.15
Disposals	-	-	-	-
<b>As at 31 March 2024</b>	<b>67.50</b>	<b>582.79</b>	<b>100.00</b>	<b>750.29</b>
<b>Accumulated amortization:</b>				
<b>As at 31 March 2022</b>	<b>29.53</b>	<b>38.15</b>	<b>-</b>	<b>67.68</b>
Charge for the year	14.92	12.29	1.21	28.42
Disposals	-	-	-	-
<b>As at 31 March 2023</b>	<b>44.45</b>	<b>50.44</b>	<b>1.21</b>	<b>96.10</b>
Charge for the year	14.96	63.40	19.76	98.11
Disposals	-	-	-	-
<b>As at 31 March 2024</b>	<b>59.40</b>	<b>113.84</b>	<b>20.97</b>	<b>194.21</b>
<b>Net block:</b>				
<b>As at 31 March 2023</b>	<b>23.05</b>	<b>32.20</b>	<b>98.79</b>	<b>154.04</b>
<b>As at 31 March 2024</b>	<b>8.10</b>	<b>468.95</b>	<b>79.03</b>	<b>556.08</b>

### 9 Intangible assets under development

Particulars	Amount
<b>As at 31 March 2022</b>	<b>-</b>
Addition during the year	-
Capitalised during the year	-
<b>As at 31 March 2023</b>	<b>-</b>
Addition during the year	246.21
Capitalised during the year	-
<b>As at 31 March 2024</b>	<b>246.21</b>

#### Notes:

- Refer note 58 for intangible assets under development ageing.
- There is no project under intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 10 Investments (Non-current)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Measured at cost:</b>		
<b>(i) Investment in equity instruments (unquoted):</b>		
<b>Subsidiaries {Refer note (iv) below}:</b>		
(a) 14,10,000 (31 March 2023: 210,000) Equity shares of Rs 10 each in Eltech Engineers Madras Private Limited	122.10	2.10
(b) 149 (31 March 2023: 90) Equity shares of AED 1500 each in MEL Power Systems FZC	419.36	19.38
(c) 20,56,239 (31 March 2023: 10,28,462) Equity shares of Rs 10 each in Evigo Charge Private Limited {formerly known as Evigo Charging Consultants Private Limited}	205.62	102.84
(d) 75 (31 March 2023: 75) Equity shares of CAD 1 each in Xanatos Marine Ltd.	1,216.86	1,216.86
(e) 7,400 (31 March 2023: Nil) Equity shares of Rs 10 each in Xanatech Synergies Private Limited	0.74	-
<b>Associates {Refer note (v) below}:</b>		
(a) 2,460 (31 March 2023: Nil) Equity shares of Rs 10 each in Marks Marine Radio Private Limited	235.18	-
(b) 5,000 (31 March 2023: Nil) Equity shares of Rs 10 each in Athmar India Private Limited	0.50	-
<b>(ii) Investment in partnership firm (subsidiary) :</b>		
Capital in Narhari Engineering Works [Refer note (ii) below]	1,399.32	1,221.67
	<b>3,599.68</b>	<b>2,562.85</b>
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	3,599.68	2,562.85
Aggregate amount of impairment in value of investment	-	-

#### 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 the Partners	As at 31 March 2024		As at 31 March 2023	
	% Share	Capital	% Share	Capital
<b>Narhari Engineering Works:</b>				
Marine Electricals (India) Limited	99.00%	1,399.32	99.00%	1,221.67
Mr. Vinay Uchil	0.50%	19.56	0.50%	18.67
KDU Enterprises Private Limited	0.50%	3.84	0.50%	2.95
		<b>1,422.72</b>		<b>1,243.29</b>

\* 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 and associates (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 and associates. The Company does not hold any investment in any jointly controlled entity (as defined under the act) during the year ended 31 March 2024.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

- iv) a) During the year, the Company has made further investment in 12,00,000 equity shares of one of its subsidiary, Eltech Engineers Madras Private Limited ("Eltech"), at face value of Rs 10 each on 01 June 2023. The said investment was approved by the Board of Directors in their meeting held on 13 February 2023. Post this investment, the shareholding of the Company in Eltech has increased from 70.00% to 94.00%.
- b) The Board of Directors of the Company on 13 February 2023 approved further investment of upto Rs 400.00 lakhs in MEL Power Systems FZC ("MEL"), a foreign subsidiary of the Company, by way of purchase of additional equity shares to be allotted to the Company by MEL. During the year, 59 no. of equity shares of AED 1500 each were issued by MEL for a total consideration of Rs 399.98 lakhs (including premium) on 08 January 2024. Post allotment of these additional equity shares, the shareholding of the Company in MEL has increased from 90.00% to 93.71%.
- c) On 17 November 2023, Board of Directors of a subsidiary company, Evigo Charge Private Limited ("Evigo"), has considered and approved allotment of 10,27,777 Equity Shares of face value of Rs 10 each on right issue basis by conversion of loan (including interest) amounting to Rs. 102.78 lakhs given by the Company to Evigo. Post the allotment of shares pursuant to conversion of loan, the shareholding of the Company in Evigo has increased from 98.88% to 99.44%.
- d) During the year, the Company has incorporated a subsidiary company named as Xanatech Synergies Private Limited ("Xanatech") on 22 January 2024 consequent to the joint venture agreement with its foreign subsidiary, Xanatos Marine Ltd. and has subscribed 7,400 equity shares of Xanatech of face value of Rs 10 each amounting to Rs 0.74 lakhs comprising 74% stake in Xanatech.
- v) a) During the year, the Board of Directors of the Company at its meeting held on 16 October 2023 accorded its consent to acquire 49.20% of issued and paid-up equity share capital of Marks Marine Radio Private Limited ("Marks Marine") by way of acquiring of 2,460 equity shares from its shareholders for total consideration amounting to Rs 235.18 lakhs. The transfer of shares related to the acquisition were approved by the Board of Marks Marine at its meeting held on 25 October 2023.
- b) During the year, the Company has incorporated a company named as Athmar India Private Limited ("Athmar") on 07 February 2024 and has subscribed 5,000 equity shares of Athmar of face value of Rs 10 each amounting to Rs 0.50 lakhs comprising 50% stake in Athmar. As at 31 March 2024, Athmar is yet to commence its business operations.

### 11 Other financial assets (Non-current)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good:</b>		
Security deposits	19.50	18.65
Lease deposits:	59.74	-
Margin money deposits*	2,432.56	2,064.66
	<b>2,511.80</b>	<b>2,083.31</b>

\* 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 2024	As at 31 March 2023
<b>Deferred tax assets:</b>		
Provision for employee benefits	99.74	85.33
Delayed outstanding of micro and small enterprises	11.69	-
Disallowance u/s 40(a) of Income-tax Act, 1961	23.03	-
Measurement of financial assets and liabilities at amortised cost, net	21.08	2.91
Ind AS 116 - "Leases"	41.84	40.25
Others	0.18	0.52
<b>Total deferred tax asset (A)</b>	<b>197.56</b>	<b>129.01</b>
<b>Deferred tax liabilities</b>		
Unbilled revenue	13.73	-
Accelerated depreciation for tax purpose	63.61	83.05
Ind AS 115 - "Revenue from contracts with customers"	-	4.42
<b>Total deferred tax liabilities (B)</b>	<b>77.34</b>	<b>87.47</b>
<b>Net Deferred tax Assets (A-B)</b>	<b>120.22</b>	<b>41.54</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 13 Other non-current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Prepaid expenses	39.21	37.75
Capital advances (Refer note 68)	1,403.21	1,384.46
Advance towards purchase of equity instruments (Refer note 69)	-	120.59
	<b>1,442.42</b>	<b>1,542.80</b>

### 14 Non-current tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance tax and tax deducted at source (net of provision for tax)	65.39	29.93
	<b>65.39</b>	<b>29.93</b>

### 15 Inventories

(valued at lower of cost and net realisable value, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials	2,525.44	2,302.00
Work in progress	4,820.47	2,139.66
	<b>7,345.91</b>	<b>4,441.66</b>

Refer note 24 and 29 for details of inventories pledged against borrowings by the Company.

### 16 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good:</b>		
Trade receivables	26,383.78	17,521.82
Less: Allowance for expected credit loss	(141.93)	(83.78)
	<b>26,241.85</b>	<b>17,438.04</b>

Refer note 24 and 29 for details of trade receivables pledged against borrowings by the Company.

Refer note 47 for details about related party trade receivables.

Refer note 50 for information about credit risk and market risk of trade receivables.

Refer note 55 for trade receivables ageing.

### 17 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	5.22	6.98
Balances with banks	128.08	4.83
	<b>133.30</b>	<b>11.81</b>

### 18 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Margin money deposits*	1,611.12	1,601.60
	<b>1,611.12</b>	<b>1,601.60</b>

\* The deposits are pledged against bank guarantees issued and for cash credit / letter of credit facilities.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 19 Loans (Current)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good :</b>		
Loans :		
- related parties (Refer note 47)	164.95	95.60
- others	222.59	202.78
Staff loans and advances	103.19	87.28
Other receivables	6.57	7.52
Loans receivables - credit impaired	13.66	13.66
Less: Allowance for expected credit loss	(13.66)	(13.66)
	<b>497.30</b>	<b>393.18</b>

Refer note 50 for information about credit risk and market risk of loans.

#### Notes:

Details of loans/advances in the nature of loans to related parties:

Particulars	Amount of loan or advance in the nature of loan outstanding		Percentage to the total loans and advances in the nature of loans	
	As at 31 March 2024**	As at 31 March 2023	As at 31 March 2024**	As at 31 March 2023
<b>Related parties (Subsidiaries) *:</b>				
Evigo Charge Private Limited <sup>#</sup>	52.50	95.60	13.55%	32.04%
Xanatech Synergies Private Limited <sup>^</sup>	112.45	-	29.02%	-

\* The loan have been given for business purposes at interest rate of 10.00% p.a.

\*\* The unsecured loans which are granted during the year to related parties as defined under Companies Act, 2013 are repayable on demand.

# Maximum balance outstanding during the year is Rs 148.48 lakhs (31 March 2023: Rs 95.60 lakhs).

<sup>^</sup> Maximum balance outstanding during the year is Rs 112.45 lakhs (31 March 2023: Rs Nil).

### 20 Other financial assets (Current)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good :</b>		
Security deposits		
- related parties (Refer note 47)	25.00	25.00
- others	8.57	29.32
Lease deposits:		
- related parties (Refer note 47)	343.20	343.20
- others	16.67	16.01
Interest accrued		
- on loan to related party (Refer note 47)	4.03	3.58
- on deposits	181.64	139.93
Receivable from related party towards sale of property, plant and equipment (Refer note 47)	3.58	3.58
Rent receivable (including related parties) (Refer note 47)	12.96	27.18
Unbilled revenue	54.53	-
<b>Unsecured, considered doubtful :</b>		
Other receivables	4.84	4.84
Less: Allowance for expected credit loss	(4.84)	(4.84)
	<b>650.18</b>	<b>587.80</b>

Refer note 50 for information about credit risk and market risk of other financial assets.



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 21 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with government authorities	1,146.03	697.40
Contract assets	-	14.46
Advances to suppliers		
- related parties (Refer note 47)	329.64	482.26
- others	934.86	1,222.98
Prepaid expenses	154.55	136.49
	<b>2,565.08</b>	<b>2,553.59</b>

### 22 Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Authorised :</b>		
15,00,00,000 (31 March 2023: 15,00,00,000)	3,000.00	3,000.00
equity shares of Rs. 2 each (31 March 2023: Rs 2 each)		
	<b>3,000.00</b>	<b>3,000.00</b>
<b>Issued, subscribed and paid-up capital :</b>		
13,26,65,250 (31 March 2023: 12,63,15,250)	2,653.31	2,526.31
equity shares of Rs. 2 each (31 March 2023: Rs 2 each) fully paid-up		
	<b>2,653.31</b>	<b>2,526.31</b>

#### a) Reconciliation of the number of equity shares:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of Shares	Amount	Number of Shares	Amount
Outstanding as at the beginning of the year	12,63,15,250	2,526.31	12,26,65,250	2,453.31
Equity shares issued during the year on conversion of share warrants *	63,50,000	127.00	36,50,000	73.00
Outstanding as at the end of the year	<b>13,26,65,250</b>	<b>2,653.31</b>	<b>12,63,15,250</b>	<b>2,526.31</b>

\* 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 allottees. 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, 63,50,000 (31 March 2023: 36,50,000) Convertible Warrants have been converted into equivalent number of equity shares by the Promoters/Non-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. 15,00,000 (31 March 2023: 36,50,000) equity shares issued on conversion of warrants 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.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### c) List of shareholders holding more than 5% shares of a class of equity shares :

	As at 31 March 2024		As at 31 March 2023	
	Number of Shares	% of Holding	Number of Shares	% of Holding
KDU Enterprises Private Limited	6,54,06,875	49.30%	6,54,06,875	51.78%
Mr. Venkatesh K. Uchil	2,77,73,475	20.94%	2,77,72,375	21.99%

### d) Details of equity shares held by the holding company

	As at 31 March 2024		As at 31 March 2023	
	Number of Shares	% of Holding	Number of Shares	% of Holding
KDU Enterprises Private Limited*	6,54,06,875	49.30%	6,54,06,875	51.78%

\* Pursuant to allotment of equity shares during the year on preferential issue basis, upon conversion of convertible warrants into equity shares, KDU Enterprise Private Limited ceased to be the Holding Company of Marine Electricals (India) Limited w.e.f. 21 February 2024.

### 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 total shares	Number of Share	% of total shares
KDU Enterprises Private Limited	6,54,06,875 (6,54,06,875)	49.30% (51.78%)	-	(2.48%)
Mr. Venkatesh K. Uchil	2,77,73,475 (2,77,72,375)	20.94% (21.99%)	1,100	(1.05%)
Mr. Vinay K. Uchil	10,81,300 (7,29,000)	0.82% (0.58%)	3,52,300	0.24%
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.

## 23 Other equity

Particulars	As at 31 March 2024	As at 31 March 2023
Securities premium	6,708.55	4,978.17
General reserve	708.10	708.10
Retained earnings	11,873.49	9,038.44
Other component of equity	331.67	292.46
Money received against share warrants	-	464.34
	<b>19,621.81</b>	<b>15,481.51</b>

### 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.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

**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.

### 24 Borrowings (Non-current)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non current	Current	Non current	Current
<b>Secured :</b>				
<b>Term loans :</b>				
<b>(a) From banks :</b>				
(i) Vehicle loans {refer note (a) to (b)}	8.46	4.07	0.52	0.64
(ii) Other term loans {refer note (c) to (g)}	2,202.18	306.71	1,787.25	622.40
<b>(b) From others:</b>				
Vehicle loan {refer note (h) to (k)}	55.20	28.75	12.99	6.39
	<b>2,265.84</b>	<b>339.54</b>	<b>1,800.76</b>	<b>629.43</b>

#### Notes:

(a) Indian rupee vehicle loan from ICICI Bank Limited carrying value of Rs 0.53 lakhs as at 31 March 2024 (31 March 2023: Rs 1.16 lakhs) secured against hypothecation of vehicles is repayable in 60 monthly installments. The loans carry interest of 9.75% p.a. (31 March 2023: 9.00% p.a. to 9.75% p.a.).

(b) Indian rupee vehicle loan from HDFC Bank Limited carrying value of Rs 12.00 lakhs as at 31 March 2024 (31 March 2023: Rs N.A.) secured against hypothecation of vehicle is repayable in 39 monthly installments. The loan carry interest of 8.80% p.a. (31 March 2023: N.A.).

(c) Indian rupee term loan from Kotak Mahindra Bank Limited carrying value of Rs Nil as at 31 March 2024 (31 March 2023: Rs 298.56 lakhs) was 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 was repayable in 60 monthly installments. The loan carried an interest of N.A. (31 March 2023: K-MCLR 6M + Spread of 1.15% p.a.). The loan was backed by personal guarantee of Mr. Venkatesh Uchil & Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited.

The tenure of the loan had completed and the loan has been repaid by the Company during the current year.

(d) Indian rupee term loan from Kotak Mahindra Bank Limited under Guaranteed Emergency Credit Line (GECL) under ECLGS scheme carrying value of Rs 33.28 lakhs as at 31 March 2024 (31 March 2023: Rs 108.79 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 2023: 8.00% p.a.). The loan is backed by personal guarantee of Mr. Venkatesh Uchil & Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited.

(e) Indian rupee term loan from The Karur Vysya Bank Limited carrying value of Rs 1,274.69 lakhs as at 31 March 2024 (31 March 2023: Rs.1,372.97 lakhs) 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 + Spread of 0.10% p.a. (31 March 2023: 3 months MCL rate of the bank). The loan is backed by personal guarantee of Mr. Venkatesh Uchil & Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

- (f) Indian rupee term loan from Kotak Mahindra Bank Limited carrying value of Rs 508.02 lakhs as at 31 March 2024 (31 March 2023: Rs 629.33 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 Repo Rate + Spread of 3.25% p.a. (31 March 2023: Repo Rate + Spread of 3.25% p.a.). The loan is backed by corporate guarantee of KDU Enterprises Private Limited.
- (g) Indian rupee term loan from Kotak Mahindra Bank Limited carrying value of Rs 692.90 lakhs as at 31 March 2024 (31 March 2023: N.A.) 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 120 monthly installments. The loan carries an interest of Repo Rate + Spread of 2.50% p.a. (31 March 2023: NA). The loan is backed by corporate guarantee of KDU Enterprises Private Limited.
- (h) Indian rupee vehicle loan from Kotak Mahindra Prime Limited carrying value of Rs 9.54 lakhs as at 31 March 2024 (31 March 2023: Rs 13.61 lakhs) secured against hypothecation of vehicle is repayable in 60 monthly installments. The loan carry an interest of 7.72% p.a. (31 March 2023: 7.72% p.a.)
- (i) Indian rupee vehicle loan from Kotak Mahindra Prime Limited carrying value of Rs. Nil as at 31 March 2024 (31 March 2023: Rs.5.77 lakhs) secured against hypothecation of vehicle was repayable in 36 monthly installments. The loan carried an interest of N.A. (31 March 2023: 8.50% p.a to 9.00% p.a)
- (j) Indian rupee vehicle loan from Mercedes-Benz Financial Services India Private Limited carrying value of Rs. 48.77 lakhs as at 31 March 2024 (31 March 2023: N.A.) secured against hypothecation of vehicle is repayable in 36 monthly installments. The loan carry an interest of 8.02% p.a. (31 March 2023: N.A.)
- (k) Indian rupee vehicle loan from Kotak Mahindra Prime Limited carrying value of Rs. 25.64 lakhs as at 31 March 2024 (31 March 2023: N.A.) secured against hypothecation of vehicle is repayable in 36 monthly installments. The loan carry an interest of 8.97% p.a. (31 March 2023: N.A.)

### Net Debt Reconciliation

Particulars	As at 31 March 2024	As at 31 March 2023
Current borrowings	4,872.56	2,967.76
Non-current borrowings (including current maturities of long-term debts)	2,605.38	2,430.19
Lease liabilities	156.15	58.15
	<b>7,634.09</b>	<b>5,456.10</b>

Particulars	Current borrowings	Non-Current borrowings	Lease liabilities	Total
<b>Balance as at 31 March 2022</b>	<b>1,901.37</b>	<b>873.56</b>	<b>127.80</b>	<b>2,902.73</b>
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)
<b>Other non-cash movements:</b>				
Effective interest rate adjustment	-	27.45	-	27.45
<b>Balance as at 31 March 2023</b>	<b>2,967.76</b>	<b>2,430.19</b>	<b>58.15</b>	<b>5,456.10</b>
Cash flows (net)	1,904.80	136.97	82.25	2,124.02
Interest expense	369.35	232.72	15.75	617.82
Interest paid	(369.35)	(222.57)	-	(591.92)
<b>Other non-cash movements:</b>				
Effective interest rate adjustment	-	28.07	-	28.07
<b>Balance as at 31 March 2024</b>	<b>4,872.56</b>	<b>2,605.38</b>	<b>156.15</b>	<b>7,634.09</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 25 Lease liabilities (refer note 48)

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current	115.84	57.27
Current	40.31	0.88
	<b>156.15</b>	<b>58.15</b>

### 26 Other financial liabilities (Non-current)

Particulars	As at 31 March 2024	As at 31 March 2023
Lease deposits	74.23	108.00
	<b>74.23</b>	<b>108.00</b>

### 27 Other non-current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred lease rentals	24.89	-
	<b>24.89</b>	<b>-</b>

### 28 Provisions (Non-current)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Provision for employees benefits</b>		
Gratuity (refer note 46)	284.67	258.60
Compensated absences (refer note 46)	89.59	63.57
	<b>374.26</b>	<b>322.17</b>

### 29 Borrowing (Current)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Secured</b>		
Cash credits from banks{refer note (a) to (d)}	4,872.56	2,967.76
Current maturities of long-term borrowings (refer note 24)	339.54	629.43
	<b>5,212.10</b>	<b>3,597.19</b>

#### Notes:

(a) Cash credit facility from State Bank of India outstanding of Rs 2,768.73 lakhs as at 31 March 2024 (31 March 2023: Rs 2,034.10 lakhs) carrying interest of 2.00% above 6 M MCLR (31 March 2023: 2% above 6M MCLR) is repayable on demand. These are secured by first pari passu charge by way of hypothecation over entire current assets viz. inventory, book debts and other receivables etc. and all movable fixed assets, wherever situated, both present & future at Mumbai & Goa plants. The facility is collaterally secured by:

- Equitable / Registered Mortgage on Unit No B-1, Ground Floor, Industrial Computer and Software Premises Co. Op. Soc. Ltd., Udyog Sadan-3, Plot no-F4, F5, F6, MIDC, Andheri (E), Mumbai owned by company.
- Equitable / Registered Mortgage on factory land & buildings bearing Survey No.30, plot no. 17 & 18, Verna Industrial Estate, Phase-I, Verna Electronic City, Salcete, Goa owned by company.
- Hypothecation of all Plant & Machinery, present and future, at Mumbai and Goa plants.
- 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
- Equitable / Registered Mortgage on 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
- 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 & Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited and Philins Industrial Corporation.



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

- (b) Cash credit facility from Indusind Bank Ltd outstanding of Rs 1,154.99 lakhs as at 31 March 2024 (31 March 2023: Rs 677.21 lakhs) carrying interest of floating rate of 6M MCLR + 0.75% p.a (31 March 2023: 6M MCLR + 0.75% p.a.) 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. 1,911.00 lakhs.

The facility is backed by personal guarantee of Mr. Venkatesh Uchil & Mr. Vinay Uchil & corporate guarantee of KDU Enterprises Private Limited.

- (c) Cash credit facility from Kotak Mahindra Bank Ltd outstanding of Rs 948.84 lakhs as at 31 March 2024 (31 March 2023: Rs N.A.) carrying interest of floating rate of 3M Repo rate + 3.1% (31 March 2023: N.A) is repayable on demand. These are secured by first pari passu hypothecation charge on all existing and future receivables/current assets/ moveable assets/moveable fixed assets of the Company. The facility is collaterally secured by exclusive charge on Land and building at plot no N-51,52,59 and 60 Phase IV Verna Industrial Estate, Salcete, Goa owned by the Company

The facility is backed by personal guarantee of Mr. Venkatesh Uchil & Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited.

- (d) Cash credit facility from Axis Bank Limited outstanding of Rs Nil as at 31 March 2024 (31 March 2023: Rs 256.45 lakhs) carrying interest of N.A. (31 March 2023: Repo + 4.25%). was repayable on demand. These was 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 was 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, Ichhpore, 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 was backed by personal guarantee of Mr. Venkatesh Uchil & Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited.

During the year, the Company has closed cash credit facility and all hypothecation charge & charge on collateral securities have been released. There is a debit balance in the account as at 31 March 2024 which is disclosed as balances with banks under Cash and cash equivalents in note 17.

- (e) 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.

### 30 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding dues to micro and small enterprises (Refer note 45)	104.65	95.19
Total outstanding dues to creditors other than micro and small enterprises	17,807.42	10,447.22
	<b>17,912.07</b>	<b>10,542.41</b>

Refer note 47 for details about related party trade payables.

Refer note 56 for trade payables ageing.

### 31 Other financial liabilities (Current)

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due on borrowings	24.13	13.98
Lease deposits	-	20.00
Employee dues payable	298.18	91.58
Unpaid dividends	0.87	0.91
Other payables	2.50	-
Creditors for purchase of property, plant and equipment	155.73	185.06
	<b>481.41</b>	<b>311.53</b>

### 32 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Contract liabilities	1,572.01	1,296.26
Statutory dues payable	250.55	210.33
Deferred lease rentals	7.78	-
Other payables	787.59	787.59
	<b>2,617.93</b>	<b>2,294.18</b>



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 33 Provision (Current)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Provision for employee benefits:</b>		
Gratuity (Refer note 46)	45.09	15.39
Compensated absences (Refer note 46)	17.70	1.37
	<b>62.79</b>	<b>16.76</b>

### 34 Current tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for tax (net of advance tax)	440.39	173.85
	<b>440.39</b>	<b>173.85</b>

### 35 Revenue from operations

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Revenue from contract with customers:</b>		
- Sale of products:	50,173.13	36,618.12
- Sale of services:	3,159.73	2,422.67
	<b>53,332.86</b>	<b>39,040.79</b>
<b>Other operating revenues:</b>		
Duty drawback	39.83	86.34
	<b>53,372.69</b>	<b>39,127.13</b>

#### 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.

#### Revenue by geography:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
- Within India	49,481.58	34,002.06
- Outside India #	3,851.28	5,038.73
	<b>53,332.86</b>	<b>39,040.79</b>

# including deemed export of Rs 1,230.11 lakhs (31 March 2023: Rs 1,235.81 lakhs)

#### Revenue by time:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Over a period of time	31.22	38.59
At a point in time	53,301.64	39,002.20
	<b>53,332.86</b>	<b>39,040.79</b>

Reconciliation of revenue recognised with contract price:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Contract price	53,332.86	39,040.79
<b>Adjustments for:</b>		
Claims and rebates	-	-
	<b>53,332.86</b>	<b>39,040.79</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(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 21.
- (iv) The contract liabilities primarily relate to the advance consideration received from customers. Contract liabilities are presented in note 32.
- (v) Trade receivables are presented net off loss allowance in note 16.

### Movement in contract balances:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Movement in contract assets:</b>		
Opening balances as on 1 April	14.46	14.46
Add: Revenue recognized during the year	(14.46)	-
Less: Invoiced during the year	-	-
Closing balance as on 31 March	-	<b>14.46</b>
<b>Movement in contract liabilities:</b>		
Opening balances as on 1 April	1,296.26	729.21
Less: Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	(1,815.81)	(691.90)
Add: Deferred revenue and advance from customers	2,091.56	1,258.95
Closing balance as on 31 March	<b>1,572.01</b>	<b>1,296.26</b>

### 36 Other income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on:		
- financial instruments at amortised cost	2.97	4.73
- term deposits	228.33	146.42
- inter corporate loan	28.74	22.69
- advance towards purchase of equity instruments {Refer note 69)}	-	12.07
Finance guarantee income	0.86	0.70
Exchange gain (net)	12.40	64.02
Share of profit in a partnership firm	176.79	196.94
Liabilities/ sundry balances written back	93.91	14.70
Allowance for expected credit loss written back	-	24.69
Rental income	201.78	73.23
Sale of scrap	10.92	8.29
Insurance claim	2.82	0.21
Profit on sale of property, plant and equipment (net)	-	41.08
Miscellaneous income	7.88	3.63
	<b>767.40</b>	<b>613.40</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 37 Cost of materials consumed

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventory of materials at the beginning of the year	2,302.00	2,149.44
Add: Purchases	43,774.86	28,367.76
	46,076.86	30,517.20
Less: Inventory of materials at the end of the year	2,525.44	2,302.00
	<b>43,551.42</b>	<b>28,215.20</b>

### 38 Changes in inventories of finished goods and work in progress

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Inventories at the beginning of the year:</b>		
Work in progress	2,139.66	3,545.00
	2,139.66	3,545.00
<b>Inventories at the end of the year:</b>		
Work in progress	4,820.47	2,139.66
	4,820.47	2,139.66
	<b>(2,680.81)</b>	<b>1,405.34</b>

### 39 Employee benefits expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and allowances	2,721.16	2,184.80
Contribution to provident and other funds (Refer note 46)	171.24	117.16
Gratuity (Refer note 46)	76.82	61.54
Compensated absences (Refer note 46)	59.70	46.56
Staff welfare	201.78	157.26
	<b>3,230.70</b>	<b>2,567.32</b>

### 40 Finance costs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense on:		
- financial instruments at amortised cost	28.07	27.45
- borrowings from banks and others	602.07	453.47
- statutory payments	29.25	28.97
- lease liabilities	15.75	7.83
- Other	2.50	-
Bank charges	323.20	315.50
Corporate guarantee fees	39.20	28.93
	<b>1,040.05</b>	<b>862.15</b>

### 41 Depreciation and amortization expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment	449.64	437.28
Depreciation on right-of-use assets	63.22	91.15
Depreciation on investment property	59.36	55.72
Amortization on intangible assets	98.11	28.42
	<b>670.33</b>	<b>612.57</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 42 Other expenses

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Rent	371.79	289.34
Power and fuel	156.74	132.23
Repair and maintenance	-	
- plant and machinery	172.53	120.50
- buildings	1.25	1.25
Vehicle running expense	34.29	32.44
Rates and taxes	22.62	104.15
Insurance	33.73	34.99
Liquidation damages	18.67	75.69
Inspection charges	248.25	210.49
Commissioning expenses	445.77	276.95
Clearing and forwarding charges	662.68	437.41
Traveling and conveyance	387.23	259.99
Postage and communication	64.61	43.06
Legal and professional fees	763.65	781.01
Payment to auditors (Refer note below)	20.72	17.99
Contribution towards Corporate Social Responsibility (Refer note 52)	41.86	15.20
Director sitting fees	5.70	5.50
Housekeeping and security charges	90.18	74.25
Printing and stationery	57.04	44.05
Sales promotion and advertisement expenses	158.89	192.67
Sundry balances written off	22.88	11.50
Bad debts written off	630.82	181.89
Allowance for expected credit loss	58.15	-
Miscellaneous expenses	77.39	96.52
	<b>4,547.44</b>	<b>3,441.41</b>

#### Note:

#### Payment to auditors comprise:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
To statutory auditor:		
- for audit / limited review	19.95	17.95
- for Certificates	0.55	-
- for reimbursement of expenses	0.22	0.04
	<b>20.72</b>	<b>17.99</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 43. Income tax

The major components of income tax expense for the year ended 31 March 2024 and 31 March 2023 are:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Statement of profit and loss section</b>		
<b>Current income tax :</b>		
Current income tax charge	1,015.94	656.31
Adjustment in respect of tax for earlier years	8.42	(23.55)
<b>Deferred tax charge/(credit) :</b>		
Relating to origination and reversal of temporary differences	(78.62)	53.16
<b>Income tax expense reported in the statement of profit and loss</b>	<b>945.74</b>	<b>685.92</b>
<b>Other comprehensive income section</b>		
Income tax relating to items that will not be reclassified to profit or loss	0.06	(4.56)
	<b>945.68</b>	<b>690.48</b>

### Reconciliation of tax expense and the accounting profit

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Accounting profit before tax</b>	3,780.96	2,636.54
<b>Computed tax expense :</b>		
At statutory income tax rate of 25.168% (31 March 2023: 25.168%)	951.59	663.56
<b>Adjustments for :</b>		
Amounts which are non-deductible in calculating taxable income	19.89	13.38
Expenses deductible for tax purpose	(10.65)	(5.53)
Income which is exempt for tax purpose	(44.49)	(49.57)
Effect of difference in tax rate	-	(4.18)
Adjustment in respect of tax for earlier years	8.42	(23.55)
Others	20.92	96.37
<b>At the effective income tax rate</b>	<b>945.68</b>	<b>690.48</b>
<b>Income tax expense reported in statement of profit and loss</b>	<b>945.68</b>	<b>690.48</b>

### Deferred tax relates to the following

Particulars	Balance sheet		Statement of profit and loss	
	As at 31 March 2024	As at 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023
Provision for employee benefits	99.74	85.33	14.41	(13.79)
Delayed outstanding of micro and small enterprises	11.69	-	11.69	-
Disallowance u/s 40(a) of Income-tax Act, 1961	23.03	-	23.03	-
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	21.08	2.91	18.17	(24.21)
Ind AS 116 - "Leases"	41.84	40.25	1.59	1.63
Unbilled revenue	(13.73)	-	(13.73)	-
Accelerated depreciation for tax purpose	(63.61)	(83.05)	19.44	(9.30)
Ind AS 115 - "Revenue from contracts with customers"	-	(4.42)	4.42	-
Others	0.18	0.52	(0.34)	(2.00)
<b>Net deferred tax (charge) / credit</b>			<b>78.68</b>	<b>(57.72)</b>
<b>Net deferred tax assets / (liabilities)</b>	<b>120.22</b>	<b>41.54</b>		

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### Reflected in the balance sheet as follows

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax liabilities	(77.34)	(87.47)
Deferred tax assets	197.56	129.01
<b>Deferred tax assets / (liabilities), net</b>	<b>120.22</b>	<b>41.54</b>

### Reconciliation of deferred tax (liabilities) / assets, net

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance as on April 1	41.54	99.25
Tax (income) / expense during the year recognised in statement of profit and loss	(78.62)	53.16
Tax (income) / expense during the year recognised in other comprehensive income	(0.06)	4.56
<b>Closing balance</b>	<b>120.22</b>	<b>41.54</b>

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.

## 44 Earnings per share

The following table set forth the computation of basic and dilutive earnings per share:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Net profit for the year attributable to equity shareholders	2,835.22	1,950.62
Weighted average number of equity shares outstanding during the year	12,84,03,501	12,29,85,524
Weighted average number of equity shares (including dilutive shares) outstanding during the year	12,84,03,501	12,52,98,180
Basic Earnings per equity share [Face value of Rs. 2 each] (Rupees)	2.21	1.59
Diluted earnings per equity share [Face value of Rs. 2 each] (Rupees)	2.21	1.56

### Reconciliation of shares used in computing earnings per share

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
No. of equity shares at the beginning of the year	12,63,15,250	12,26,65,250
Add: Equity shares issued during the year on conversion of share warrants *	63,50,000	36,50,000
No. of equity shares at the end of the year	<b>13,26,65,250</b>	<b>12,63,15,250</b>
Weighted average number of equity shares outstanding during the year	12,84,03,501	12,29,85,524
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	<b>12,84,03,501</b>	<b>12,52,98,180</b>

\* During the previous 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, 63,50,000 (31 March 2023: 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.



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 45. 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 2024	As at 31 March 2023
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at period end	104.65	95.19
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end*	2.50	-
(iii) Principal amount paid to supplier registered under the MSMED Act, beyond the appointed day during the year.	220.65	191.91
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-
(vi) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
(vii) Further interest remaining due and payable for earlier years	-	-

\*Amount is included in other payables under Other financial liabilities in Note 31

### 46 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. 171.24 lakhs (31 March 2023: Rs 117.16 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 2024	For the year ended 31 March 2023
<b>Present value of DBO at start of the year</b>	273.99	247.73
Current service cost	57.09	43.70
Interest cost	19.73	17.84
Benefits paid	(21.29)	(17.14)
<i>Re-measurements</i>		
- Actuarial loss / (gain) from changes in demographic assumptions	(30.81)	-
- Actuarial loss / (gain) from changes in financial assumptions	18.57	-
- Actuarial loss / (gain) from experience over the past year	12.48	(18.14)
<b>Present value of DBO at end of the year</b>	<b>329.76</b>	<b>273.99</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### Net Liability / (Asset) recognised in the Balance Sheet

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of DBO	329.76	273.99
Fair value of plan assets	-	-
<b>Liability / (Asset) recognised in the Balance Sheet</b>	<b>329.76</b>	<b>273.99</b>

### Expense recognised in the statement of profit and loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	57.09	43.70
Net interest on net defined benefit liability / (asset)	19.73	17.84
<b>Total</b>	<b>76.82</b>	<b>61.54</b>

### Income / (Loss) recognised in other comprehensive income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial (loss) / gain from changes in demographic assumptions	(30.81)	-
Actuarial (loss) / gain from changes in financial assumptions	18.57	-
Actuarial (loss) / gain from experience over the past year	12.48	(18.14)
<b>Total loss /(income)</b>	<b>0.24</b>	<b>(18.14)</b>

### Actuarial assumptions

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salary growth rate	9% p.a.	8% p.a.
Discount rate	7.0% p.a.	7.2% p.a.
Interest rate on Net DBO	7.2% p.a.	7.2% p.a.
Withdrawal rate	15% p.a.	2% p.a.
Mortality rates	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Weighted average duration of the obligation	4 years	11 years

### Experience adjustments

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Defined benefit obligation	329.76	273.99
Funded Status [Surplus/ (Deficit)]	(329.76)	(273.99)
Exp. Adj. on plan liabilities: (gain) / loss	12.48	(18.14)
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:

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	
	Increases 1%	Decreases 1%
Salary growth rate	DBO increases by Rs 15.72 lakhs	DBO decreases by Rs. 15.50 lakhs
Discount rate	DBO decreases by Rs 15.64 lakhs	DBO increases by Rs16.18 lakhs
Withdrawal rate	DBO decreases by Rs 2.40 lakhs	DBO increases by Rs 2.57 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 0.08 lakhs	NA

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

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. 59.70 lakhs (31 March 2023: Rs. 46.56 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.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 47 Related party disclosures

#### A) Name of related parties

##### (I) Holding Company

KDU Enterprises Private Limited (upto 20 February 2024)

##### (II) Other related parties

##### a) Subsidiary Companies / 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)

Xanatech Synergies Private Limited (w.e.f. 22 January 2024)

##### b) Associates

Marks Marine Radio Private Limited (w.e.f. 25 October 2023)

Athmar India Private Limited (w.e.f. 8 February 2024)

##### c) Partnership firms in which directors are partners\*

DKM Precision Engineers

Philins Industrial Corporation

##### d) Enterprises in which directors have significant influence\*

KDU Enterprises Private Limited (w.e.f. 21 February 2024)

Mcgeoch Marine Electricals Private Limited

Switch N Control Gears Private Limited

KDU Marine Equipment Trading and Maintenance LLC

KDU Worldwide Technical Services Ghana Private Limited

KDU Worldwide Middle East Marine Services LLC

##### (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 (Upto 13 December 2024)

Ms. Deep Shah, Company Secretary and Compliance Officer (w.e.f. 14 February 2024)

##### 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.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### B) Related party transactions during the year

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>a) Lease rent payment</b>		
KDU Enterprises Private Limited	276.19	273.43
Philins Industrial Corporation	47.86	39.22
Ms. Rashmi Uchil	9.00	9.00
<b>b) Rental income</b>		
Switch N Control Gears Private Limited	24.07	15.57
<b>c) Interest income on inter corporate loan</b>		
Evigo Charge Private Limited	8.41	3.98
Xanatech Synergies Private Limited	0.06	-
<b>d) Professional fees</b>		
Ms. Rashmi Uchil	9.00	9.00
<b>e) Share in profit / (loss) of partnership firm</b>		
Narhari Engineering Works	176.79	196.94
<b>f) Finance guarantee income</b>		
Narhari Engineering Works	0.86	0.70
<b>g) Purchases</b>		
KDU Enterprises Private Limited	208.93	156.17
KDU Marine Equipment Trading and Maintenance LLC	2.99	11.40
MEL Power Systems FZC	411.23	114.77
Philins Industrial Corporation	19.54	12.02
Switch N Control Gears Private Limited	70.76	166.02
STI SRL	87.23	104.58
Evigo Charge Private Limited	74.34	3.26
Mcgeoch Marine Electricals Private Limited	7.61	2.28
Marks Marine Radio Private Limited	0.90	-
<b>h) Commissioning expenses</b>		
KDU Marine Equipment Trading and Maintenance LLC	4.30	9.34
<b>i) Sales</b>		
Mcgeoch Marine Electricals Private Limited	-	27.14
MEL Power Systems FZC	631.08	110.16
KDU Marine Equipment Trading and Maintenance LLC	29.99	15.77
Evigo Charge Private Limited	277.70	252.73
KDU Worldwide Middle East Marine Services LLC	258.40	-
Marks Marine Radio Private Limited	4.62	-
<b>j) Sale of property, plant and equipment</b>		
Evigo Charge Private Limited	-	3.58
<b>k) Advance paid to suppliers</b>		
Eltech Engineers Madras Private Limited	-	17.30
<b>l) Investment in preference instruments of subsidiary</b>		
Evigo Charge Private Limited	-	30.96
<b>m) Loan given</b>		
Evigo Charge Private Limited	52.50	95.60
Xanatech Synergies Private Limited	112.45	-

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### B) Related party transactions during the year

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>n) Deposit given</b>		
Evigo Charge Private Limited	-	25.00
<b>o) Corporate guarantee fees</b>		
KDU Enterprises Private Limited	39.20	28.93
<b>p) Transactions with key management personnel and relatives</b>		
Salaries and other employee benefits to whole-time directors, executive officers and relatives *	244.15	189.29
Director sitting fees to non-executive / independent directors	5.70	5.50

\* 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.



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### C) Outstanding balances as at year end

Particulars	As at 31 March 2024	As at 31 March 2023
<b>a) Loan given including interest (net of TDS)</b>		
Evigo Charge Private Limited		
Principal	52.50	95.60
Interest	3.97	3.58
Xanatech Synergies Private Limited		
Principal	112.45	-
Interest	0.06	-
<b>b) Trade receivables</b>		
DKM Precision Engineers	1.66	1.66
KDU Marine Equipment Trading and Maintenance LLC	15.83	-
KDU Worldwide Technical Services Ghana Private Limited	40.73	49.47
MEL Power Systems FZC	4.98	55.63
Mcgeoch Marine Electricals Private Limited	47.63	57.33
Evigo Charge Private Limited	540.69	265.39
Marks Marine Radio Private Limited	3.58	-
<b>c) Advance to suppliers</b>		
Eltech Engineers Madras Private Limited	35.64	145.63
STI SRL	239.00	267.97
MEL Power Systems FZC	-	68.65
Switch N Controlgears Private Limited	55.00	-
<b>d) Trade payables</b>		
KDU Enterprises Private Limited	53.95	48.45
KDU Marine Equipment Trading and Maintenance LLC	7.29	4.26
MEL Power Systems FZC	182.55	-
STI SRL	87.23	87.16
Mcgeoch Marine Electricals Private Limited	-	2.28
Evigo Charge Private Limited	-	3.25
Marks Marine Radio Private Limited	0.89	-
<b>e) Deposits</b>		
KDU Enterprises Private Limited	288.00	288.00
Philins Industrial Corporation	48.00	48.00
Ms. Rashmi Uchil	7.20	7.20
Evigo Charge Private Limited	25.00	25.00
<b>f) Receivables towards sale of property, plant and equipment</b>		
Evigo Charge Private Limited	3.58	3.58
<b>g) Rent receivable</b>		
Switch N Control Gears Private Limited	12.96	5.94
<b>h) Payables to key management personnel and relatives</b>		
Salaries and other employee benefits to whole-time directors, executive officers and relatives *	5.24	-
Director sitting fees to non-executive / independent directors	1.13	1.22

\* 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.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 48 Leases

The following is the break-up of lease liabilities as at reporting date

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current	115.84	57.27
Current	40.31	0.88
<b>Total</b>	<b>156.15</b>	<b>58.15</b>

The following is the movement of lease liabilities

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Balance at the start of the year	58.15	127.80
Addition during the year	121.69	-
Lease rent payment	(39.44)	(77.48)
Finance cost incurred	15.75	7.83
<b>Balance at the end of the year</b>	<b>156.15</b>	<b>58.15</b>

Amount recognized in statement of profit and loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on lease liabilities	15.75	7.83
Depreciation on right-of-use assets	63.22	91.15
Expense relating to short-term leases and low value assets	371.79	291.68
	<b>450.76</b>	<b>390.66</b>

The maturity analysis of lease liabilities is disclosed in Note 50.

### 49. Segment information

The Company is primarily engaged into the business of providing integrated electrical and automation solution. The main segments of the Company are:

- Marine: Providing products and services of navigational equipment's etc in new ship building.
- Industry: Providing products and services of power distribution and solutions for industries like data centre, industrial and large buildings.

As per Ind AS 108 - "Operating Segments", operating segments are those components of the business whose operating results are reviewed by the Chief Operating Decision Maker ("CODM") to make decisions for performance assessment and resource allocation. Previously, the Company was disclosing two business segments i.e. Electricals & Electronics and Solar. In the board meeting dated 29 May 2023, board approved change in operating segment reporting between two business segments i.e. Marine and Industry, as segments based on how CODM make decision internally for performance assessment and resource allocation.

Pursuant to approval by Board, the Company has identified its reportable segment as Marine and Industry during the year and accordingly previous period / year figures have been regrouped / rearranged among those segments.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A. Segment revenue</b>		
(a) Marine	26,579.20	19,807.75
(b) Industry	26,793.49	19,319.38
<b>Revenue from operations</b>	<b>53,372.69</b>	<b>39,127.13</b>
<b>B. Segment results</b>		
(a) Marine	2,611.25	1,719.53
(b) Industry	1,495.22	1,205.75
<b>Total</b>	<b>4,106.47</b>	<b>2,925.28</b>
Less: Finance costs	(1,040.05)	(862.15)
Add: Other unallocable income net of unallocable expenses	714.54	573.41
<b>Profit before tax</b>	<b>3,780.96</b>	<b>2,636.54</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

The CODM does not review assets and liabilities for each operating segment separately, hence segment disclosure relating to assets and liabilities have not been furnished.

### Information about major customers

There is 1 (31 March 2023: 2) customers contributing in excess of 10% of the total revenue of the Company amounting to Rs 7,728.44 lakhs for the year ended 31 March 2024 (31 March 2023: Rs 10,089.88 lakhs).

## 50 Financial instruments

The classification of each category of financial instruments and their carrying amounts are as below:

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Financial assets measured at amortized cost:</b>		
Trade receivables ^	26,241.85	17,438.04
Cash and cash equivalents ^	133.30	11.81
Bank balances other than cash and cash equivalents ^	1,611.12	1,601.60
Loans ^	497.30	393.18
Other financial assets ^	3,161.98	2,671.11
<b>Total financial assets</b>	<b>31,645.55</b>	<b>22,115.74</b>
<b>Financial liabilities measured at amortized cost:</b>		
Borrowings ^	7,477.94	5,397.95
Lease liabilities ^	156.15	58.15
Trade payables ^	17,912.07	10,542.41
Other financial liabilities ^	555.64	419.53
<b>Total financial liabilities</b>	<b>26,101.80</b>	<b>16,418.04</b>

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.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(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 2024	As at 31 March 2023
Low credit risk	Cash and cash equivalents, other bank balances, trade receivables, loans and other financial assets.	31,645.55	22,115.74

#### (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 deposits, staff advances, interest accrued on loans/deposits, unbilled revenue, 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 of trade receivables, loans and other financial assets**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Opening balance</b>	<b>102.28</b>	<b>126.97</b>
<b>Change in allowance for expected credit loss:</b>		
Allowance for expected credit loss provied/written back (net)	58.15	(24.69)
	<b>58.15</b>	<b>(24.69)</b>
<b>Closing balance</b>	<b>160.43</b>	<b>102.28</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(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
<b>As at 31 March 2024</b>						
Borrowings	7,477.94	7,563.46	4,872.56	339.54	1,175.23	1,176.13
Lease liabilities	156.15	213.24	-	53.47	92.63	67.14
Trade payables	17,912.07	17,912.07	-	17,912.07	-	-
Other financial liabilities	555.64	555.64	3.37	552.27	-	-
<b>Total</b>	<b>26,101.80</b>	<b>26,244.41</b>	<b>4,875.93</b>	<b>18,857.35</b>	<b>1,267.86</b>	<b>1,243.27</b>
Particulars	Carrying amount	Total	On demand	0–12 months	1–5 years	> 5 years
<b>As at 31 March 2023</b>						
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
<b>Total</b>	<b>16,418.04</b>	<b>16,568.80</b>	<b>2,988.67</b>	<b>11,469.51</b>	<b>1,107.85</b>	<b>1,002.77</b>

### (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 2024		As at 31 March 2023	
		Amount in Foreign Currency	Amount equivalent in INR Lakhs	Amount in Foreign Currency	Amount equivalent in INR Lakhs
Foreign currency receivables					
- representing trade receivables	USD	11,49,175	939.79	10,72,365	872.58
	EURO	10,340	9.16	10,200	8.98
	GBP*	2,374	2.46	1,800	1.80
Foreign currency payable					
representing trade payables	AED*	51,683	12.08	18,500	4.26
	USD	6,35,070	534.09	3,19,625	264.87
	EURO	26,04,467	2,382.57	12,68,924	1,154.85
	GBP*	4,391	4.69	11,194	11.58
Exchange Earners' Foreign Currency (EEFC) account	EURO	8,390	7.43	-	-
	USD	66,462	54.90	201	0.16
Foreign currency notes	EURO	70	0.06	403	0.37
	USD	277	0.23	41	0.03

\* The Company does not expect any change in the exchange rate of AED / GBP and INR, resulting into any significant impact to the financial numbers.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### Sensitivity to risk

Particulars	Impact on profit - Increase / (decrease)	
	As at 31 March 2024	As at 31 March 2023
<b>USD Sensitivity</b>		
INR/USD - Increase by 5% (31 March 2023-5%)	23.04	30.40
INR/USD - Decrease by 5% (31 March 2023 - 5%)	(23.04)	(30.40)
<b>Euro Sensitivity</b>		
INR/EURO - Increase by 5% (31 March 2023 - 5%)	(118.67)	(57.27)
INR/EURO - Decrease by 5% (31 March 2023 - 5%)	118.67	57.27

### 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 2024	As at 31 March 2023
Variable rate borrowings	7,348.18	5,268.62
Fixed rate borrowings	129.76	129.33
<b>Total borrowings</b>	<b>7,477.94</b>	<b>5,397.95</b>

### 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 2024	(73.48)	73.48
Variable rate instrument as at 31 March 2023	(52.69)	52.69

### 51 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 2024	As at 31 March 2023
Total borrowings	7,477.94	5,397.95
Lease liabilities	156.15	58.15
Less: Cash and cash equivalent and other bank balances	(1,744.42)	(1,613.41)
<b>Adjusted net debt</b>	<b>5,889.67</b>	<b>3,842.69</b>
<b>Total equity</b>	<b>22,275.12</b>	<b>18,007.82</b>
<b>Adjusted net debt to total equity ratio</b>	<b>0.26</b>	<b>0.21</b>



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 52 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 2024	For the year ended 31 March 2023
i) Gross amount required to be spent by the Company during the year	34.85	21.92
ii) Amount spent on:		
a) Construction / acquisition of assets	-	-
b) On purpose other than (a) above	36.86 <sup>^</sup>	20.33 <sup>*</sup>
iii) Shortfall / (Excess) at the end of the year	(2.01)	1.59 <sup>#</sup>
iv) Nature of CSR activities	Eradicating hunger, poverty and malnutrition, promoting education, creating health infrastructure, skill development and conservation of nature & sustainable future.	
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.

<sup>^</sup> net of amount of Rs 5.00 lakhs spend in respect of previous years.

### 53 Contingent liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
a. Bank guarantees towards advances, liquidated damages and other contractual / legal obligations reduced by an amount of Rs 138.63 lakhs (31 March 2023: Rs 270.10 lakhs) towards the counter bank guarantee received from sub-contractors	10,371.98	9,301.96
b. Corporate and bank guarantees given on behalf of subsidiaries	2,177.25	1,516.82
c. Letter of credit opened in favour of suppliers	707.59	1,252.12
d. Disputed tax liabilities [net of amount deposited under protest Rs 3.06 lakhs (31 March 2023: Rs 1.90 lakhs)] {refer note (i)}	240.46	144.33
e. Custom duty [net of amount deposited under protest Rs 65.00 lakhs (31 March 2023: Rs 65.00 lakhs)] {Refer note (ii)}	67.62	67.62

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(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 2024	As at 31 March 2023
<b>a. Income Tax</b>			
Disallowances / additions / demand raised by the income tax department pending before various authorities / appellate authorities [net of amount deposited under protest Rs 3.06 lakhs (31 March 2023: Rs 1.08 lakhs)]	AY 13-14 to AY 19-20 and AY 21-22 (31 March 2023: AY 13-14 to AY 19-20 and AY 21-22)	68.85	67.26
<b>b. Sales Tax / VAT</b>			
Demands raised by Sales tax / VAT department pending before various authorities / appellate authorities [net of amount deposited under protest Rs Nil (31 March 2023: Rs 0.82 lakhs)]	FY 09-10 and FY 16-17 (31 March 2023: FY 09-10 and FY 16-17)	71.12	77.07
<b>c. Goods and Services Tax</b>			
Demands raised by GST department pending before various authorities / appellate authorities	FY 18-19 (31 March 2023: NA)	100.49	-
		<b>240.46</b>	<b>144.33</b>

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 currently in the final argument stage before the arbitrator. Pending arbitration, the impact of the outcome of the proceedings on these financial statements of the Company is currently not ascertainable.

(iv) During the F.Y.2021-22, pursuant to inspection by GST Department, the Company paid Rs. 120.14 lakhs towards GST on bank guarantee invocation. The Company during F.Y. 2022-23 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 2023-24 based on the present salary structure followed by the Company for its class of employees.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 54 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 2024	As at 31 March 2024
Property, plant and equipment	499.45	276.29

### 55 Trade receivable ageing:

As at 31 March 2024

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	4,019.35	20,409.75	804.39	732.35	130.68	279.70	26,376.22
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	7.56	7.56
Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>4,019.35</b>	<b>20,409.75</b>	<b>804.39</b>	<b>732.35</b>	<b>130.68</b>	<b>287.26</b>	<b>26,383.78</b>
Less: Allowance for expected credit loss							141.93
<b>Total trade receivables</b>							<b>26,241.85</b>

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	-	-	-	-	-	-	-
<b>Total</b>	<b>2,396.01</b>	<b>13,497.88</b>	<b>1,065.66</b>	<b>167.98</b>	<b>144.68</b>	<b>249.61</b>	<b>17,521.82</b>
Less: Allowance for expected credit loss							83.78
<b>Total trade receivables</b>							<b>17,438.04</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 56 Trade payable ageing:

As at 31 March 2024

Particulars	Non- Due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	-	104.65	-	-	-	104.65
Others	-	16,732.19	413.58	119.00	38.03	17,302.80
Disputed dues -MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	103.87	103.87
<b>Total</b>	<b>-</b>	<b>16,836.84</b>	<b>413.58</b>	<b>119.00</b>	<b>141.90</b>	<b>17,511.32</b>
Add: Accrued expenses						400.75
<b>Total trade payables</b>						<b>17,912.07</b>

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
<b>Total</b>	<b>-</b>	<b>10,005.45</b>	<b>189.09</b>	<b>10.09</b>	<b>222.02</b>	<b>10,426.65</b>
Add: Accrued expenses						115.76
<b>Total trade payables</b>						<b>10,542.41</b>

### 57 Capital work in progress ageing

As at 31 March 2024

Particulars	Amount in Capital work in progress for a period of				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Project in progress	303.93	-	-	-	303.93
<b>Total</b>	<b>303.93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>303.93</b>

As at 31 March 2023

Particulars	Amount in Capital work in progress for a period of				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Project in progress	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 58 Intangible asset under development ageing

As at 31 March 2024

Particulars	Amount in Capital work in progress for a period of				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Project in progress	246.21	-	-	-	246.21
<b>Total</b>	<b>246.21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>246.21</b>

As at 31 March 2023

Particulars	Amount in Capital work in progress for a period of				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Project in progress	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 59 Ratios

Sr. No.	Ratios	Numerator	Denominator	31 March 2024	31 March 2023	% Change from 31 March 2023 to 31 March 2024	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	1.46	1.60	(8.59%)	NA
2	Debt - Equity ratio (in times)	Total debt	Shareholder's equity	0.34	0.30	11.99%	NA
3	Debt Service Coverage ratio (in times)	Earnings available for debt service (refer note (i) below)	Debt service (refer note (ii) below)	4.02	2.96	35.93%	Primarily due to increase in profits during the year
4	Return on Equity ("ROE") (in %)	Net profits after taxes - Preference dividend	Average shareholder's equity	14.08%	12.03%	2.05%	NA
5	Inventory Turnover Ratio (in times)	Cost of goods sold	Average inventory	6.93	5.84	18.65%	NA
6	Trade receivables turnover ratio (in times)	Net sales	Average accounts receivable	2.44	2.66	(8.20%)	NA
7	Trade payables turnover ratio (in times)	Total purchases	Average accounts payable	3.08	3.05	0.74%	NA
8	Net capital turnover ratio (in times)	Net sales	Working capital	4.34	3.87	12.28%	NA
9	Net profit ratio (in %)	Net profit after tax	Net sales	5.32%	5.00%	0.32%	NA
10	Return on capital employed (in %)	Earning before interest and taxes	Capital employed (refer note (iii) below)	16.72%	15.05%	1.67%	NA
11	Return on investment (in %)	Profit before tax	Total assets	7.29%	7.08%	0.21%	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 equipments, 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

# Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

## 60 Subsequent events

There are no significant reportable subsequent events that have occurred after the reporting period till the date of this financial statements.

## 61 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) Registration of charges or satisfaction with Registrar of Companies (ROC):

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.

### vii) 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.

## 62 Details of crypto currency or virtual currency:

The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

## 63 Undisclosed income:

The Company does not have 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).

## 64 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.

## 65 The Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses as at 31 March 2024.



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

- 66** 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.
- 67** The Company had paid an advance of USD 800,000 to a supplier in China during the financial year 2017-18 for procurement of solar PV modules. This advance was carried at Rs 584.48 lakhs as at 31 March 2023. Due to non-receipt of the material from the supplier and since the supplier has filed for insolvency during the year, the Company has determined that the said advance is no longer recoverable and the entire amount of Rs 584.48 lakhs have been charged to standalone statement of profit and loss in the current financial year ended 31 March 2024.
- 68** During the previous 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 2024. 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 had filed an appeal against the order of NCLT in National Company Law Appellate Tribunal (NCLAT) on 28 March 2023. During the year, the decision of NCLT was upheld by NCLAT and Supreme Court. On 21 November 2023, the Company filed a reply in response to the liquidator's request to vacate the premises, seeking refund of the entire consideration paid and expenditure incurred if the premise is to be vacated, while the Company still aims to retain the ownership. Pending the final resolution and the refund of the payment, the Company continues to carry the total payments made towards the purchase of the liquidation estate/premise as a capital advance in its financial statements.
- 69** 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 Marks Marine Radio Private Limited ("MMRPL") engaged in marine electronic products. As per the terms of MOU, the Company subject to valuation of shares had lend Rs 100.00 lakhs as advance. During previous year, 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. During current year, the Board of Directors of the Company at its meeting held on 16 October 2023 accorded its consent to acquire 49.20% of issued and paid-up equity share capital of MMRPL by way of acquiring of 2460 equity shares from its shareholders for total consideration amounting to Rs 235.18 lakhs. The transfer of shares related to the acquisition were approved by the Board of MMRPL at its meeting held on 25 October 2023. Post completion of acquisition, MMRPL has become associate of the Company w.e.f. 25 October 2023.
- 70** 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 2024.

### 71 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

#### Som Nath Saini

Partner

Membership No: 093079

#### Venkatesh Uchil

Managing Director

DIN: 01282671

#### U.M. Bhakthavalsalan

Chief Financial Officer

#### For and on behalf of the Board of Directors

Marine Electricals (India) Limited

#### Vinay Uchil

Chairman and Executive Director

DIN: 01276871

#### Deep Shah

Company Secretary and Compliance Officer

Place : Mumbai,  
Date : 29 May 2024

Place : Mumbai,  
Date : 29 May 2024

Place : Mumbai,  
Date : 29 May 2024

# 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 2024, 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 2024, 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 77 included in notes to the consolidated financial statements regarding the fact that the Company had paid an advance of USD 8,00,000 to a supplier in China during the financial year 2017-18 for procurement of solar PV modules carried at Rs 584.48 lakhs as at 31 March 2023. Due to non-receipt of the material from the supplier and since the supplier has filed for insolvency during the year, the Company has determined that the said advance is no longer recoverable and the entire amount of Rs 584.48 lakhs have been charged to consolidated statement of profit and loss in the current financial year ended 31 March 2024.
2. Note 78 of the consolidated financial statements regarding the fact that a subsidiary company, Eltech Engineers Madras Private Limited ("Eltech") had accumulated losses of Rs 260.65 lakhs as at 31 March 2024, the current liabilities were Rs 119.09 lakhs and current assets were Rs 4.11 lakhs. Further, its net worth as at 31 March 2024 was negative Rs 110.65 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.

## Independent Auditors' Report

2. Note 79 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	<p><b>Revenue recognition accuracy, measurement, presentation and disclosure</b></p> <p>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.</p> <p>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.</p>	<p>Our audit procedures included following:</p> <ul style="list-style-type: none"> <li>• Considering the appropriateness of the management's accounting policies regarding revenue recognition;</li> <li>• Obtained an understanding of management's process over revenue recognition and evaluated design of internal controls around revenue recognition;</li> <li>• Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing;</li> </ul>

### 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.

## Independent Auditors' Report

### 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 section 143(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

## Independent Auditors' Report

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 4 subsidiaries whose financial statements reflect total assets of Rs. 6,998.83 lakhs as at 31 March 2024, total income of Rs. 4,673.13 lakhs and total net loss after tax of Rs. 27.96 lakhs, before giving effect to the consolidated adjustments, and net cash inflows of Rs. 294.67 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 consolidated financial statements also include the Group's share of total net profit after tax of Rs 14.15 lakhs for the period ended 31 March 2024, as considered in the consolidated financial statements, in respect of an associate, which have been audited by its independent auditor. 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.



## Independent Auditors' Report

- b. The consolidated financial statements include the unaudited financial statements of 2 subsidiaries whose financial statements reflect total assets of Rs. 6,250.31 lakhs as at 31 March 2024, total income of Rs. 4,504.34 lakhs and total net loss after tax of Rs. 124.12 lakhs, before giving effect to the consolidated adjustments, and net cash inflows of Rs. 77.49 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 2024 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 2024 from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company 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 2024 – Refer Note 52 to the consolidated financial statements;



## Independent Auditors' Report

- 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 2024;
- 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 2024.
- 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 2024.
- vi. Based on our examination, which included test checks and that performed by the respective auditors of the subsidiaries and associate, which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Group have used accounting software for maintaining books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. During the course of performing our procedures and that performed by the respective auditors of the subsidiaries and associate, except for the below mentioned instances where our commenting on whether the audit trail feature was tempered with does not arise, we did not notice any instance of the audit trail feature being tempered with:
  - (a) In respect of the Holding Company, the audit log is not maintained in case of modification by certain users with specific access and for direct data changes at the database level;
  - (b) In respect of 2 subsidiaries (Eltech Engineers Madras Private Limited and Evigo Charge Private Limited), the companies has used a new accounting software starting from 01 April 2023, for maintaining its books of account which has a feature of recording audit trail (edit log) facility, however, the same was not operated throughout the year for all relevant transactions recorded in the software;
  - (c) In respect of an associate (Marks Marine Radio Private Limited), it has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, during the course of audit, some rectification entries and missed out entries were passed.

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

## Independent Auditors' Report

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: 24093079BKFVDD7184

Mumbai, May 29, 2024

## Independent Auditors' Report

### Annexure A to the Independent Auditors' Report – 31 March 2024

#### Details of entities consolidated

Name	Country on incorporation	% of holding as at 31 March 2024
<b>Subsidiaries / step down subsidiary</b>		
Eltech Engineers Madras Private Limited	India	94.00%
Narhari Engineering Works (partnership firm)	India	99.00%
Evigo Charge Private Limited (formerly known as Evigo Charging Consultants Private Limited)	India	99.44%
Xanatech Synergies Private Limited	India	93.50%
MEL Power Systems FZC	United Arab Emirates	93.71%
STI SRL (subsidiary of MEL Power Systems FZC)	Italy	70.28%
Xanatos Marine Ltd	Canada	75.00%
<b>Associate</b>		
Marks Marine Radio Private Limited	India	49.20%

**For Saini Pati Shah & Co LLP**

Chartered Accountants

Firm's Registration No: 137904W/W100622

**Som Nath Saini**

Partner

Membership No: 093079

UDIN: 24093079BKFVDD7184

Mumbai, May 29, 2024

## Independent Auditors' Report

### Annexure B to the Independent Auditors' Report – 31 March 2024

(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	28 May 2024	(vii)(a), (vii)(b)

**For Saini Pati Shah & Co LLP**

Chartered Accountants

Firm's Registration No: 137904W/W100622

**Som Nath Saini**

Partner

Membership No: 093079

UDIN: 24093079BKFVDD7184

Mumbai, May 29, 2024

# Independent Auditors' Report

## Annexure C to the Independent Auditors' Report – 31 March 2024

### 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 2024, 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 2024, 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.

## Independent Auditors' Report

### 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: 24093079BKFVDD7184

Mumbai, May 29, 2024



# Consolidated Balance Sheet

as at 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	3,917.95	3,460.79
Right-of-use assets	5	390.46	306.22
Capital work in progress	6	308.22	-
Investment property	7	569.45	503.81
Goodwill	8	782.36	782.36
Other intangible assets	9	1,881.52	1,544.41
Intangible assets under development	10	246.21	-
Financial assets			
Investments	11	598.73	345.78
Other financial assets	12	2,670.02	2,112.04
Deferred tax assets (net)	13	124.44	46.58
Other non-current assets	14	1,457.62	1,544.38
Non-current tax assets (net)	15	68.30	31.51
<b>Total non-current assets</b>		<b>13,015.28</b>	<b>10,677.88</b>
<b>Current assets</b>			
Inventories	16	9,226.87	6,378.68
Financial assets			
Trade receivables	17	31,702.65	22,609.27
Cash and cash equivalents	18	653.18	291.71
Bank balances other than cash and cash equivalents	19	1,665.92	1,643.74
Loans	20	437.27	852.75
Other financial assets	21	714.74	630.63
Other current assets	22	4,155.54	3,489.49
<b>Total current assets</b>		<b>48,556.17</b>	<b>35,896.27</b>
<b>Total assets</b>		<b>61,571.45</b>	<b>46,574.15</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	23	2,653.31	2,526.31
Other equity	24	22,415.62	18,310.89
<b>Equity attributable to owners of the Company</b>		<b>25,068.93</b>	<b>20,837.20</b>
Non-controlling interest		481.27	642.55
<b>Total equity</b>		<b>25,550.20</b>	<b>21,479.75</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	25	2,653.94	2,221.95
Lease liabilities	26	115.84	57.27
Other financial liabilities	27	74.23	108.00
Other non-current liabilities	28	24.89	-
Provisions	29	374.26	322.17
<b>Total non-current liabilities</b>		<b>3,243.16</b>	<b>2,709.39</b>

## Consolidated Balance Sheet

as at 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	30	6,893.57	4,289.41
Lease liabilities	26	40.31	0.88
Trade payables:	31		
- Micro and small enterprises		231.47	147.38
- Other than micro and small enterprises		21,231.51	14,400.31
Other financial liabilities	32	508.60	371.27
Other current liabilities	33	3,363.89	2,964.29
Provisions	34	64.02	17.95
Current tax liabilities (net)	35	444.72	193.52
<b>Total current liabilities</b>		<b>32,778.09</b>	<b>22,385.01</b>
<b>Total liabilities</b>		<b>36,021.25</b>	<b>25,094.40</b>
<b>Total equity and liabilities</b>		<b>61,571.45</b>	<b>46,574.15</b>

Summary of material accounting policies

3

The accompanying notes forms an integral part of these consolidated financial statements

1 to 81

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

#### Venkatesh Uchil

Managing Director

DIN: 01282671

#### U.M. Bhakthavalsalan

Chief Financial Officer

Place : Mumbai,

Date : 29 May 2024

Place : Mumbai,

Date : 29 May 2024

### For and on behalf of the Board of Directors

Marine Electricals (India) Limited

#### Vinay Uchil

Chairman and Executive Director

DIN: 01276871

#### Deep Shah

Company Secretary and Compliance Officer

Place : Mumbai,

Date : 29 May 2024

## Consolidated Statement of Profit and Loss

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	for the year ended 31 March 2024	for the year ended 31 March 2023
<b>Income</b>			
Revenue from operations	36	62,212.07	44,285.44
Other income	37	715.15	452.57
<b>Total income</b>		<b>62,927.22</b>	<b>44,738.01</b>
<b>Expenses</b>			
Cost of materials consumed	38	49,588.91	31,363.24
Changes in inventories of finished goods and work in progress	39	(2,561.00)	1,604.32
Employee benefits expense	40	4,502.03	3,449.89
Finance costs	41	1,237.92	994.13
Depreciation and amortization expense	42	1,036.63	807.99
Other expenses	43	5,504.87	4,011.15
<b>Total expenses</b>		<b>59,309.36</b>	<b>42,230.72</b>
<b>Profit before share in profit / (loss) of associates &amp; joint ventures and tax</b>		<b>3,617.86</b>	<b>2,507.29</b>
Share in profit / (loss) of associates and joint ventures (net of tax, if any)		14.15	-
<b>Profit before tax</b>		<b>3,632.01</b>	<b>2,507.29</b>
<b>Income tax expense / (credit):</b>	44		
Current tax		1,124.06	799.86
Adjustment in respect of tax for earlier years		9.42	(23.67)
Deferred tax charge / (credit)		(77.80)	51.02
		<b>1,055.68</b>	<b>827.21</b>
<b>Profit after tax</b>		<b>2,576.33</b>	<b>1,680.08</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement of defined benefit plans		(0.24)	18.14
Income tax relating to items that will not be reclassified to profit or loss		0.06	(4.56)
<b>Items that will be reclassified to profit or loss</b>			
Exchange differences on translation of foreign currency operations		62.07	140.45
<b>Other comprehensive income / (loss) for the year</b>		<b>61.89</b>	<b>154.03</b>
<b>Total comprehensive income for the year</b>		<b>2,638.22</b>	<b>1,834.11</b>
<b>Profit attributable to:</b>			
Non-controlling interest		(13.61)	(19.46)
Shareholders of the Company		2,589.94	1,699.54
<b>Other comprehensive income attributable to:</b>			
Non-controlling interest		8.20	(34.51)
Shareholders of the Company		53.69	188.54

## Consolidated Statement of Profit and Loss

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	for the year ended 31 March 2024	for the year ended 31 March 2023
<b>Total comprehensive income attributable to:</b>			
Non-controlling interest		(5.41)	(53.97)
Shareholders of the Company		2,643.63	1,888.08
<b>Earnings per share ("EPS")</b>	45		
- Basic earning per equity share of face value of Rs 2 each		2.02	1.38
- Diluted earning per equity share of face value of Rs 2 each		2.02	1.36
Summary of material accounting policies	3		
The accompanying notes forms an integral part of these consolidated financial statements	1 to 81		

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

#### Venkatesh Uchil

Managing Director

DIN: 01282671

#### U.M. Bhakthavalsalan

Chief Financial Officer

Place : Mumbai,

Date : 29 May 2024

Place : Mumbai,

Date : 29 May 2024

### For and on behalf of the Board of Directors

**Marine Electricals (India) Limited**

#### Vinay Uchil

Chairman and Executive Director

DIN: 01276871

#### Deep Shah

Company Secretary and Compliance Officer

Place : Mumbai,

Date : 29 May 2024

## Consolidated Statement of Changes in Equity

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### A. Equity share capital

As at 31 March 2024

Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of year
2,526.31	127.00	2,653.31

As at 31 March 2023

Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of year
2,453.31	73.00	2,526.31

### B. Other equity

As at 31 March 2024

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 the year	4,978.17	708.10	11,035.89	755.05	292.46	76.88	464.34	18,310.89
Profit for the year	-	-	2,589.94	-	-	-	-	2,589.94
Other comprehensive income for the year	-	-	(0.18)	53.87	-	-	-	53.69
Fair value of financial guarantee transferred to other component of equity	-	-	-	-	39.21	-	-	39.21
Movement in minority interest during the year on account of change in shareholding	-	-	116.74	39.13	-	-	-	155.87
Transaction with non-controlling interest	-	-	-	-	-	-	-	-
Subscription money received on allotment of share warrants	-	-	-	-	-	-	-	-
Securities premium received / Utilisation of subscription money on conversion of share warrants into equity shares	1,730.38	-	-	-	-	-	(464.34)	1,266.04
<b>Balance at the end of the year</b>	<b>6,708.55</b>	<b>708.10</b>	<b>13,742.39</b>	<b>848.05</b>	<b>331.67</b>	<b>76.88</b>	<b>-</b>	<b>22,415.62</b>

As at 31 March 2023

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 the year	3,983.54	708.10	9,459.58	580.09	196.87	76.88	-	15,005.06
Profit for the year	-	-	1,699.54	-	-	-	-	1,699.54
Other comprehensive income for the 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
<b>Balance at the end of the year</b>	<b>4,978.17</b>	<b>708.10</b>	<b>11,035.89</b>	<b>755.05</b>	<b>292.46</b>	<b>76.88</b>	<b>464.34</b>	<b>18,310.89</b>

## Consolidated Statement of Changes in Equity

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

The accompanying notes form 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

#### Som Nath Saini

Partner

Membership No: 093079

#### Venkatesh Uchil

Managing Director

DIN: 01282671

For and on behalf of the Board of Directors

Marine Electricals (India) Limited

#### Vinay Uchil

Chairman and Executive Director

DIN: 01276871

#### U.M. Bhakthavalsalan

Chief Financial Officer

#### Deep Shah

Company Secretary and Compliance Officer

Place : Mumbai,

Date : 29 May 2024

Place : Mumbai,

Date : 29 May 2024

Place : Mumbai,

Date : 29 May 2024



# Consolidated Cash Flow Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	for the year ended 31 March 2024	for the year ended 31 March 2023
<b>Cash flows from operating activities</b>		
Profit before tax	3,632.01	2,507.29
<b>Adjustments:</b>		
Depreciation and amortization	1,036.62	807.99
Sundry balances written off	22.88	11.50
Bad debts written off	633.31	184.18
Finance costs	1,237.92	994.13
Liabilities / sundry balances written back	(106.48)	(37.93)
Allowance for expected credit loss (net)	55.61	(23.35)
(Profit) / Loss on sale of property, plant and equipment (net)	(0.11)	(41.43)
Rental income	(201.78)	(73.23)
Interest income on financial instruments at amortised cost	(2.97)	(4.73)
Interest income on inter corporate loan	(20.27)	(18.71)
Interest income on advance towards purchase of equity instruments	-	(12.07)
Foreign currency translation movement	24.21	130.81
<b>Operating cash flows before working capital changes</b>	<b>6,310.95</b>	<b>4,424.45</b>
<b>Working capital movements:</b>		
(Increase) / Decrease in inventories	(2,848.19)	1,549.52
(Increase) / Decrease in trade receivables	(9,782.30)	(5,446.76)
(Increase) / Decrease in bank balances other than cash and cash equivalents	(17.18)	(844.17)
(Increase) / Decrease in other financial assets	(461.63)	(1,854.23)
(Increase) / Decrease in other assets	(680.13)	(294.70)
Increase / (Decrease) in trade payables	7,021.77	2,218.32
Increase / (Decrease) in other financial liabilities	119.46	1.64
Increase / (Decrease) in other liabilities	424.49	645.32
Increase / (Decrease) in provisions	97.92	45.04
<b>Cash generated from operations</b>	<b>185.16</b>	<b>444.43</b>
Income taxes paid, net	(920.90)	(721.06)
<b>Net cash flows generated from / (used in) operating activities (A)</b>	<b>(735.74)</b>	<b>(276.63)</b>
<b>Cash flows from investing activities</b>		
Purchase of property plant and equipment, investment property and intangible assets (including movement in capital advances, creditors for property, plant and equipment, capital work in progress and intangible assets under development)	(2,416.30)	(2,296.68)
Proceeds from sale of property, plant and equipment	0.18	63.90
Placement of fixed deposits	(115.00)	(40.00)
Rental income received	134.29	67.29
Loans (given) / repaid (net)	435.29	(28.47)
Acquisition of equity interest in subsidiary	-	(485.20)
Acquisition of equity interest in associates	(135.68)	-
Cash acquired on business combination	-	5.70
Transaction with non-controlling interests	-	10.06
<b>Net cash flows generated from / (used in) investing activities (B)</b>	<b>(2,097.22)</b>	<b>(2,703.40)</b>
<b>Cash flows from financing activities</b>		
Proceeds from allotment of share warrants	-	464.34
Proceeds from allotment on equity shares (including securities premium)	1,393.03	1,067.63
Proceeds from / (repayment of) non current borrowings (net)	164.39	1,544.67
Proceeds / (repayment of) current borrowings (net)	2,871.76	1,009.13
Finance costs paid	(1,185.29)	(888.64)
Repayment of lease liabilities (net of finance cost)	(49.46)	(69.65)
<b>Net cash flows generated from / (used in) financing activities (C)</b>	<b>3,194.43</b>	<b>3,127.48</b>

## Consolidated Cash Flow Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	for the year ended 31 March 2024	for the year ended 31 March 2023
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	361.47	147.45
Cash and cash equivalents at the beginning of the year	291.71	144.26
<b>Cash and cash equivalents at the end of the year</b>	<b>653.18</b>	<b>291.71</b>

### Notes to cash flow statement:

1. Component of cash and cash equivalents:

	As at 31 March 2024	As at 31 March 2023
Cash on hand	13.41	18.75
Balances with banks		
- in Bank accounts	599.77	112.96
- in fixed deposits with original maturity of 3 months or less	40.00	160.00
<b>Total cash and cash equivalents</b>	<b>653.18</b>	<b>291.71</b>

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

#### Som Nath Saini

Partner

Membership No: 093079

#### Venkatesh Uchil

Managing Director

DIN: 01282671

#### U.M. Bhakthavalsalan

Chief Financial Officer

Place : Mumbai,

Date : 29 May 2024

Place : Mumbai,

Date : 29 May 2024

### For and on behalf of the Board of Directors

Marine Electricals (India) Limited

#### Vinay Uchil

Chairman and Executive Director

DIN: 01276871

#### Deep Shah

Company Secretary and Compliance Officer

Place : Mumbai,

Date : 29 May 2024

# Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(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 2024	31 March 2023
<b>Subsidiaries / step down subsidiary</b>			
Eltech Engineers Madras Private Limited	India	94.00%	70.00%
Narhari Engineering Works (partnership firm)	India	99.00%	99.00%
Evigo Charge Private Limited (formerly Evigo Charging Consultants Private Limited)	India	99.44%	98.88%
MEL Power Systems FZC	United Arab Emirates	93.71%	90.00%
STI SRL (subsidiary of MEL Power Systems FZC)	Italy	70.28%	67.50%
Xanatos Marine Ltd	Canada	75.00%	75.00%
Xanatech Synergies Private Limited	India	93.50%	-
<b>Associates:</b>			
Marks Marine Radio Private Limited	India	49.20%	-

## 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 2024 were authorised and approved for issue by the Company's Board of Directors at its meeting held on 29 May 2024.

### 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

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(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.

# Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

## 2.4 Functional and Presentation Currency

These consolidated 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.

## 2.5 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.

## 2.6 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

# Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

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 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.

## **2.7 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. As on 31 March 2024, no new standards or amendments are issued or notified.

## **3. Summary of Material Accounting Policies**

### **3.1 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. 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



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equipment is provided as per written down value method as per the rates prescribed under Income-tax Act, 1961. In case of 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:

<b>Tangible Assets</b>	<b>Estimated uestful life (in Years)</b>
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.

### **3.2 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.

### **3.3 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.

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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. 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 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 useful 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.

### 3.4 Research and development cost

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

1. The technical feasibility of completing the intangible asset so that the asset will be available for use or sale,
2. Its intention to complete and its ability and intention to use or sell the asset,
3. How the asset will generate future economic benefits,
4. The availability of resources to complete the asset
5. The ability to measure reliably the expenditure during development.

Development expenditure till date of capitalization are disclosed under Intangible Assets under development. Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use.

### 3.5 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

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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

### 3.6 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.

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.

### 3.7 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.

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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.

### 3.8 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.

#### 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'.

### 3.9 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

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## 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.

## 3.10 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 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.

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### 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.

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:

- he 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



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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 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.

## 3.11 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

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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.

### **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.

### **3.12 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.

### **3.13 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

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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.

### **3.14 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.

### **3.15 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.

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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.

### 3.16 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.

### 3.17 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of 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.

### 3.18 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.

# Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

## 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
<b>Gross block:</b>									
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
Additions	282.40	130.96	157.12	82.22	23.06	40.59	270.13	25.19	1,011.66
Acquisition on account of business combination	-	-	-	-	-	-	-	-	-
Disposals	-	-	(1.27)	-	-	-	-	(0.17)	(1.44)
Foreign currency translations	0.12	1.06	0.01	0.14	0.16	-	0.61	0.23	2.32
As at 31 March 2024	459.16	2,584.64	1,827.01	166.25	193.62	58.07	515.18	217.59	6,021.52
<b>Accumulated depreciation:</b>									
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
Charge for the year	-	200.52	210.22	24.68	25.91	7.39	53.39	33.67	555.79
Acquisition on account of business combination	-	-	-	-	-	-	-	-	-
Disposals	-	-	(1.22)	-	-	-	-	(0.15)	(1.37)
Foreign currency translations	-	0.27	0.01	0.09	0.16	-	0.28	0.16	0.97
As at 31 March 2024	-	923.19	675.06	83.57	99.06	19.58	184.76	118.35	2,103.57
<b>Net block:</b>									
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
As at 31 March 2024	459.16	1,661.45	1,151.95	82.68	94.56	38.49	330.42	99.24	3,917.95

### Notes:

1. Refer note 25 and 30 for information on property, plant and equipment pledged as security by the Group.
2. Refer note 53 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 5 Right-of-use assets

Particulars	Premises	Equipment	Land	Total
<b>Gross block:</b>				
<b>As at 31 March 2022</b>	<b>736.79</b>	<b>148.34</b>	<b>395.96</b>	<b>1,281.08</b>
Additions	-	-	-	-
Disposals	-	-	-	-
<b>As at 31 March 2023</b>	<b>736.79</b>	<b>148.34</b>	<b>395.96</b>	<b>1,281.08</b>
Additions	147.46	-	-	147.46
Disposals	-	-	-	-
<b>As at 31 March 2024</b>	<b>884.25</b>	<b>148.34</b>	<b>395.96</b>	<b>1,428.54</b>
<b>Accumulated depreciation :</b>				
<b>As at 31 March 2022</b>	<b>704.51</b>	<b>111.88</b>	<b>67.32</b>	<b>883.71</b>
Charge for the year	32.28	36.46	22.42	91.16
Disposals	-	-	-	-
<b>As at 31 March 2023</b>	<b>736.79</b>	<b>148.34</b>	<b>89.74</b>	<b>974.86</b>
Charge for the year	40.74	-	22.48	63.22
Disposals	-	-	-	-
<b>As at 31 March 2024</b>	<b>777.53</b>	<b>148.34</b>	<b>112.22</b>	<b>1,038.08</b>
<b>Net block:</b>				
<b>As at 31 March 2023</b>	<b>-</b>	<b>-</b>	<b>306.22</b>	<b>306.22</b>
<b>As at 31 March 2024</b>	<b>106.72</b>	<b>-</b>	<b>283.74</b>	<b>390.46</b>

### 6. Capital work in progress

Particulars	Amount
<b>As at 31 March 2022</b>	<b>198.79</b>
Addition during the year	-
Capitalised during the year	(198.79)
<b>As at 31 March 2023</b>	<b>-</b>
Addition during the year	393.22
Capitalised during the year	(85.00)
<b>As at 31 March 2024</b>	<b>308.22</b>

#### Notes:

- Refer note 58 for capital work in progress ageing.
- There is no project under capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan.



# Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

## 7 Investment property

Particulars	Buildings
<b>Gross block:</b>	
As at 31 March 2022	715.99
Additions	47.57
Disposals	-
As at 31 March 2023	763.56
Additions	125.00
Disposals	-
As at 31 March 2024	888.56
<b>Accumulated depreciation :</b>	
As at 31 March 2022	204.03
Charge for the year	55.72
Disposals	-
As at 31 March 2023	259.75
Charge for the year	59.36
Disposals	-
As at 31 March 2024	319.11
<b>Net block:</b>	
As at 31 March 2023	503.81
As at 31 March 2024	569.45

### 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 25 and 30 for information on investment property pledged as security by the Group.
- (iii)(a) As at 31 March 2024, the fair value of the property has been updated to Rs. 2,327.60 lakhs. This represents a revision from the previous year's fair value of Rs. 2,917.04 lakhs.
- (b) For the year ended 31 March 2024, the fair value of the Group's investment property has been determined using the ready reckoner rate published by local municipal authorities, rather than an independent valuation report. The ready reckoner rate provides a standardized valuation for properties similar in type and location for tax and regulatory purposes.  
For the year ended 31 March 2023, the fair value of the Group's investment property was based on valuation performed by an accredited independent valuer in the financial year ended 31 March 2022. The management believed that there was no significant fluctuation in the fair value of the property during the year ended 31 March 2023. The fair value of the Group's investment property was 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) The management believes that the ready reckoner rate is a reliable estimate of the property's fair value, considering the relative stability in property values and minimal market fluctuations during the year.
- (d) Details of the Group's investment property and information about the fair value hierarchy is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Assets for which fair values are disclosed</b>		
<b>Investment property</b>		
Level 1	-	-
Level 2	-	-
Level 3	2,327.60	2,917.04

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

(e) Amounts recognised in statement of profit and loss related to investment properties (excluding depreciation and finance costs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Rental income from investment property	120.60	60.03
Direct operating expenses arising from investment property that generated rental income during the year	5.43	5.43

### 8 Goodwill

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Opening Balance</b>	<b>782.36</b>	<b>-</b>
Business Combination (Refer note 67)	-	782.36
<b>Closing Balance</b>	<b>782.36</b>	<b>782.36</b>

#### Note:

Impairment recognised in the Statement of Profit and Loss during the year is Rs Nil (31 March 2023: Rs 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	Other intangible assets of foreign step down subsidiary	Mobile application	Customer Acquisition	Non- Compete	Technical know-how	Total
<b>Gross block:</b>								
<b>As at 31 March 2022</b>	<b>67.50</b>	<b>89.90</b>	<b>735.55</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>892.95</b>
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
<b>As at 31 March 2023</b>	<b>67.50</b>	<b>139.39</b>	<b>1,009.53</b>	<b>4.50</b>	<b>100.00</b>	<b>456.01</b>	<b>209.78</b>	<b>1,986.71</b>
Additions	-	500.15	175.98	-	-	-	-	676.13
Acquisition on account of business combination	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Foreign currency translations	-	0.22	7.50	-	-	8.44	3.88	20.04
<b>As at 31 March 2024</b>	<b>67.50</b>	<b>639.76</b>	<b>1,193.01</b>	<b>4.50</b>	<b>100.00</b>	<b>464.45</b>	<b>213.66</b>	<b>2,682.88</b>
<b>Accumulated amortization :</b>								
<b>As at 31 March 2022</b>	<b>29.53</b>	<b>54.92</b>	<b>200.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>284.75</b>
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
<b>As at 31 March 2023</b>	<b>44.45</b>	<b>82.58</b>	<b>292.48</b>	<b>0.71</b>	<b>1.21</b>	<b>10.87</b>	<b>10.00</b>	<b>442.30</b>
Charge for the year	14.96	76.88	154.38	2.26	19.76	46.88	43.14	358.25
Disposals	-	-	-	-	-	-	-	-
Foreign currency translations	-	0.03	1.23	-	-	(0.24)	(0.22)	0.81
<b>As at 31 March 2024</b>	<b>59.41</b>	<b>159.49</b>	<b>448.09</b>	<b>2.97</b>	<b>20.96</b>	<b>57.52</b>	<b>52.92</b>	<b>801.36</b>
<b>Net block:</b>								
<b>As at 31 March 2023</b>	<b>23.05</b>	<b>56.81</b>	<b>717.05</b>	<b>3.79</b>	<b>98.79</b>	<b>445.14</b>	<b>199.78</b>	<b>1,544.41</b>
<b>As at 31 March 2024</b>	<b>8.09</b>	<b>480.27</b>	<b>744.92</b>	<b>1.53</b>	<b>79.04</b>	<b>406.94</b>	<b>160.74</b>	<b>1,881.52</b>

# Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

## 10 Intangible assets under development

Particulars	Amount
<b>As at 31 March 2022</b>	4.50
Addition during the year	-
Capitalised during the year	(4.50)
<b>As at 31 March 2023</b>	-
Addition during the year	246.21
Capitalised during the year	-
<b>As at 31 March 2024</b>	<b>246.21</b>

### Notes:

- (i) Refer note 59 for intangible assets under development ageing.
- (ii) There is no project under intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan.

## 11 Investments (Non-current)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Measured at fair value through Profit &amp; Loss:</b>		
<b>Investments in equity instruments of other companies (unquoted):</b>		
Investment in other companies	348.90	345.78
<b>Investment in equity instruments accounted for using equity method:</b>		
<b>Investment in associates (unquoted):</b>		
(a) 2,460 (31 March 2023: Nil) Equity shares of Rs 10 each in Marks Marine Radio Private Limited	249.33	-
(b) 5,000 (31 March 2023: Nil) Equity shares of Rs 10 each in Athmar India Private Limited	0.50	-
	<b>598.73</b>	<b>345.78</b>
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	598.73	345.78
Aggregate amount of impairment in value of investment	-	-

## 12 Other financial assets (Non-current)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good:</b>		
Security deposits	131.52	28.71
Lease deposits	59.74	-
Margin money deposits *	2,448.76	2,083.33
Fixed deposits with remaining maturity of more than 12 months	30.00	-
	<b>2,670.02</b>	<b>2,112.04</b>

\* The deposits are pledged against bank guarantees issued and for cash credit / letter of credit facilities.

## 13 Deferred tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Deferred tax assets:</b>		
Provision for employee benefits	99.74	85.33
Delayed outstanding of micro and small enterprises	11.69	-
Disallowance u/s 40(a) of Income-tax Act, 1961	23.03	-
Measurement of financial assets and liabilities at amortised cost, net	23.35	6.07
Ind AS 116 - "Leases"	41.84	40.25
Others	0.98	1.31
<b>Total deferred tax asset (A)</b>	<b>200.63</b>	<b>132.96</b>

# Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Deferred tax liabilities</b>		
Unbilled revenue	13.73	-
Accelerated depreciation for tax purpose	62.46	81.96
Ind AS 115 - "Revenue from contracts with customers"	-	4.42
<b>Total deferred tax liabilities (B)</b>	<b>76.19</b>	<b>86.38</b>
<b>Net Deferred tax Assets (A-B)</b>	<b>124.44</b>	<b>46.58</b>

## 14 Other non-current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Prepaid expenses	53.41	39.33
Capital advances (Refer note 76)	1,404.21	1,384.46
Advance towards purchase of equity instruments (Refer note 72)	-	120.59
	<b>1,457.62</b>	<b>1,544.38</b>

## 15 Non-current tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance tax and tax deducted at source (net of provision for tax)	68.30	31.51
	<b>68.30</b>	<b>31.51</b>

## 16 Inventories

(valued at lower of cost and net realisable value, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials	3,706.26	3,427.02
Work in progress	5,381.44	2,851.86
Finished goods	139.17	99.80
	<b>9,226.87</b>	<b>6,378.68</b>

Refer note 25 and 30 for details of inventories pledged against borrowings by the Group.

## 17 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good:</b>		
Trade receivables	31,851.08	22,702.09
Less: Allowance for expected credit loss	(148.43)	(92.82)
	<b>31,702.65</b>	<b>22,609.27</b>

Refer note 25 and 30 for details of trade receivables pledged against borrowings by the Group.

Refer note 47 for details about related party trade receivables.

Refer note 50 for information about credit risk and market risk of trade receivables.

Refer note 56 for trade receivable ageing,

## 18 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	13.41	18.75
Balances with banks:		
- in bank accounts	599.77	112.96
- in fixed deposit accounts with original maturity of 3 months or less	40.00	160.00
	<b>653.18</b>	<b>291.71</b>

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 19 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Margin money deposits*	1,620.92	1,603.74
Fixed deposits with original maturity of more than 3 months but less than 12 months	45.00	40.00
	<b>1,665.92</b>	<b>1,643.74</b>

\* The deposits are pledged against bank guarantees issued and for cash credit / letter of credit facilities.

### 20 Loans (Current)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good :</b>		
Loans	322.59	752.78
Staff loans and advances	108.11	92.45
Other receivables	6.57	7.52
Loans receivables - credit impaired	13.66	13.66
Less: Allowance for expected credit loss	(13.66)	(13.66)
	<b>437.27</b>	<b>852.75</b>

Refer note 50 for information about credit risk and market risk of loans.

### 21 Other financial assets (Current)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good :</b>		
Security deposits	24.80	103.69
Lease deposits:		
- related parties (Refer note 47)	343.20	343.20
- others	16.97	16.31
Fixed deposit with remaining maturity of less than 12 months	80.00	-
Interest accrued on deposits	182.28	140.25
Rent receivable (including related parties) (Refer note 47)	12.96	27.18
Unbilled revenue	54.53	-
<b>Unsecured, considered doubtful :</b>		
Other receivables	4.84	4.84
Less: Allowance for expected credit loss	(4.84)	(4.84)
	<b>714.74</b>	<b>630.63</b>

Refer note 50 for information about credit risk and market risk of other financial assets.

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 22 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with government authorities	1,207.28	749.57
Contract assets	-	14.46
Advances to suppliers	1,412.18	1,291.75
Prepaid expenses	603.22	553.56
Other receivables	932.86	880.15
	<b>4,155.54</b>	<b>3,489.49</b>

### 23 Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Authorised :</b>		
15,00,00,000 (31 March 2023: 15,00,00,000) equity shares of Rs. 2 each (31 March 2023: Rs 2 each)	3,000.00	3,000.00
	<b>3,000.00</b>	<b>3,000.00</b>
<b>Issued, subscribed and paid-up capital :</b>		
13,26,65,250 (31 March 2023: 12,63,15,250) equity shares of Rs. 2 each (31 March 2023: Rs 2 each) fully paid-up	2,653.31	2,526.31
	<b>2,653.31</b>	<b>2,526.31</b>

#### a) Reconciliation of the number of shares:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of Shares	Amount	Number of Shares	Amount
Outstanding as at the beginning of the year	12,63,15,250	2,526.31	12,26,65,250	2,453.31
Equity shares issued during the year on conversion of share warrants *	63,50,000	127.00	36,50,000	73.00
Outstanding as at the end of the year	<b>13,26,65,250</b>	<b>2,653.31</b>	<b>12,63,15,250</b>	<b>2,526.31</b>

\* 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 allottees. 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.



## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

During the year, 63,50,000 (31 March 2023: 36,50,000) Convertible Warrants have been converted into equivalent number of equity shares by the Promoters/Non-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. 15,00,000 (31 March 2023: 36,50,000) equity shares issued on conversion of warrants 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 :

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of Share	% of holding	Number of Share	% of holding
KDU Enterprises Private Limited	6,54,06,875	49.30%	6,54,06,875	51.78%
Mr. Venkatesh K. Uchil	2,77,73,475	20.94%	2,77,72,375	21.99%

### d) Details of shares held by the holding company

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of Share	% of holding	Number of Share	% of holding
KDU Enterprises Private Limited*	6,54,06,875	49.30%	6,54,06,875	51.78%

\* Pursuant to allotment of equity shares during the year on preferential issue basis, upon conversion of convertible warrants into equity shares, KDU Enterprise Private Limited ceased to be the Holding Company of Marine Electricals (India) Limited w.e.f. 21 February 2024.

### 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 (6,54,06,875)	49.30% (51.78%)	-	(2.48%)
Mr. Venkatesh K. Uchil	2,77,73,475 (2,77,72,375)	20.94% (21.99%)	1,100	(1.05%)
Mr. Vinay K. Uchil	10,81,300 (7,29,000)	0.82% (0.58%)	3,52,300	0.24%
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.

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 24 Other equity

Particulars	As at 31 March 2024	As at 31 March 2023
Securities premium	6,708.55	4,978.17
General reserve	708.10	708.10
Retained earnings	13,742.39	11,035.89
Other comprehensive income	848.05	755.05
Other component of equity	331.67	292.46
Capital reserve	76.88	76.88
Money received against share warrants	-	464.34
	<b>22,415.62</b>	<b>18,310.89</b>

#### 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 Group 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 Group as per the terms of allotment equivalent to 25% of the issue price of share warrants.

### 25 Borrowings (Non-current)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non current	Current	Non current	Current
<b>Secured :</b>				
<b>Term loans :</b>				
<b>(a) From banks :</b>				
(i) Vehicle loan {refer note (a) and (b)}	8.46	4.07	0.52	0.64
(ii) Other term loan {refer note (c) to (g)}	2,202.18	306.71	1,787.25	622.40
<b>(b) From others:</b>				
Vehicle loan {refer note (h) and (m)}	146.93	51.04	12.99	6.39
<b>Unsecured :</b>				
<b>Term loans :</b>				
(a) From banks {refer note (n)}	-	-	36.36	-
(b) From others {refer note (o)}	296.37	-	384.83	-
	<b>2,653.94</b>	<b>361.83</b>	<b>2,221.95</b>	<b>629.43</b>

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### Note :

- (a) Indian rupee vehicle loans from ICICI Bank Limited carrying value of Rs 0.53 lakhs as at 31 March 2024 (31 March 2023: Rs 1.16 lakhs) taken by the company is secured against hypothecation of vehicles is repayable in 60 monthly installments. The loans carry interest of 9.75% p.a. (31 March 2023: 9.00% p.a. to 9.75% p.a.).
- (b) Indian rupee vehicle loans from HDFC Bank Limited carrying value of Rs 12.00 lakhs as at 31 March 2024 (31 March 2023: Rs N.A.) taken by the company is secured against hypothecation of vehicles is repayable in 39 monthly installments. The loans carry interest of 8.80% p.a. (31 March 2023: N.A.).
- (c) Indian rupee term loan from Kotak Mahindra Bank Limited carrying value of Rs Nil as at 31 March 2024 (31 March 2023: Rs 298.56 lakhs) taken by the company was 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 was repayable in 60 monthly installments. The loan carried an interest of N.A. (31 March 2023: K-MCLR 6M + Spread of 1.15% p.a.). The loan was backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited.
- The tenure of the loan had completed and the loan has been repaid by the Company during the current year.
- (d) Indian rupee term loan from Kotak Mahindra Bank Limited under Guaranteed Emergency Credit Line (GECL) under ECLGS scheme carrying value of Rs 33.28 lakhs as at 31 March 2024 (31 March 2023: Rs 108.79 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 2023: 8.00% p.a.). The loan is backed by personal guarantee of Mr. Venkatesh Uchil & Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited.
- (e) Indian rupee term loan from The Karur Vysya Bank Limited carrying value of Rs 1,274.69 lakhs as at 31 March 2024 (31 March 2023: Rs.1,372.97 lakhs) 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 + Spread of 0.10% p.a. (31 March 2023: 3 months MCL rate of the bank). The loan is backed by personal guarantee of Mr. Venkatesh Uchil & Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited.
- (f) Indian rupee term loan from Kotak Mahindra Bank Limited carrying value of Rs 508.02 lakhs as at 31 March 2024 (31 March 2023: Rs 629.33 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 Repo Rate + Spread of 3.25% p.a. (31 March 2023: Repo Rate + Spread of 3.25% p.a.). The loan is backed by corporate guarantee of KDU Enterprises Private Limited.
- (g) Indian rupee term loan from Kotak Mahindra Bank Limited carrying value of Rs 692.90 lakhs as at 31 March 2024 (31 March 2023: N.A.) 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 120 monthly installments. The loan carries an interest of Repo Rate + Spread of 2.50% p.a. (31 March 2023: NA). The loan is backed by corporate guarantee of KDU Enterprises Private Limited.
- (h) Indian rupee vehicle loan from Kotak Mahindra Prime Limited carrying value of Rs 9.54 lakhs as at 31 March 2024 (31 March 2023: Rs 13.61 lakhs) taken by the company secured against hypothecation of vehicle is repayable in 60 monthly installments. The loan carry an interest of 7.72% p.a. (31 March 2023: 7.72% p.a.)
- (i) Indian rupee vehicle loan from Kotak Mahindra Prime Limited carrying value of Rs. Nil as at 31 March 2024 (31 March 2023: Rs.5.77 lakhs) taken by the Company is secured against hypothecation of vehicle was repayable in 36 monthly installments. The loan carried an interest of N.A. (31 March 2023: 8.50% p.a. to 9.00% p.a.)
- (j) Indian rupee vehicle loan from Mercedes-Benz Financial Services India Private Limited carrying value of Rs. 48.77 lakhs as at 31 March 2024 (31 March 2023: N.A.) taken by the Company is secured against hypothecation of vehicle is repayable in 36 monthly installments. The loan carry an interest of 8.02% p.a. (31 March 2023: N.A.)

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

- (k) Indian rupee vehicle loan from Kotak Mahindra Prime Limited carrying value of Rs. 25.64 lakhs as at 31 March 2024 (31 March 2023: N.A.) taken by the Company is secured against hypothecation of vehicle is repayable in 36 monthly installments. The loan carry an interest of 8.97% p.a. (31 March 2023: N.A.).
- (l) Indian rupee vehicle loan from Mercedes-Benz Financial Services India Private Limited carrying value of Rs. 97.96 lakhs as at 31 March 2024 (31 March 2023: N.A) taken by Narhari Engineering Works is secured against hypothecation of vehicle and is repayable in 60 monthly installments. The loan carry an interest of 8.60% p.a. (31 March 2023: N.A).
- (m) Indian rupee vehicle loan from Kotak Mahindra Prime Limited carrying value of Rs. 16.06 lakhs as at 31 March 2024 (31 March 2023: N.A) taken by Narhari Engineering Works is secured against hypothecation of vehicle and is repayable in 36 monthly installments. The loan carry an interest of 9.32% p.a. (31 March 2023: N.A).
- (n) Foreign currency interest free unsecured covid business loan from TD Canada Trust carrying value of Rs. Nil as at 31 March 2024 (31 March 2023: CAD \$60,000 equivalent to Rs. 36.36 lakhs) taken by Xanatos Marine Ltd, a subsidiary company. The loan is for a term of 68 months.
- (o) Foreign currency unsecured loan from Xanatos Holdings Ltd. carrying value of CAD 4,80,113 equivalent to Rs. 296.37 lakhs as at 31 March 2024 (31 March 2023: CAD \$ 6,34,972 equivalent to Rs. 384.83 lakhs) taken by Xanatos Marine Ltd, 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 2024	As at 31 March 2023
Current borrowings	6,531.74	3,659.98
Non-current borrowings (including current maturities of long-term debts)	3,015.77	2,851.38
Lease liabilities	156.15	58.15
	<b>9,703.66</b>	<b>6,569.51</b>

Particulars	Current borrowings	Non-Current borrowings	Lease liabilities	Total
<b>Balance as at 31 March 2022</b>	<b>2,650.85</b>	<b>882.95</b>	<b>127.80</b>	<b>3,661.60</b>
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)
<b>Other non-cash movements:</b>				
Effective interest rate adjustment	-	27.45	-	27.45
<b>Balance as at 31 March 2023</b>	<b>3,659.98</b>	<b>2,851.38</b>	<b>58.15</b>	<b>6,569.51</b>
Cash flows (net)	2,871.76	125.39	82.25	3,079.40
Interest expense	528.68	236.43	15.75	780.86
Interest paid	(528.68)	(225.50)	-	(754.18)
<b>Other non-cash movements:</b>				
Effective interest rate adjustment	-	28.07	-	28.07
<b>Balance as at 31 March 2024</b>	<b>6,531.74</b>	<b>3,015.77</b>	<b>156.15</b>	<b>9,703.66</b>

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 26 Lease liabilities (refer note 48)

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current	115.84	57.27
Current	40.31	0.88
	<b>156.15</b>	<b>58.15</b>

### 27 Other financial liabilities (Non-current)

Particulars	As at 31 March 2024	As at 31 March 2023
Lease deposit	74.23	108.00
	<b>74.23</b>	<b>108.00</b>

### 28 Other non-current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred lease rentals	24.89	-
	<b>24.89</b>	<b>-</b>

### 29 Provisions (Non-current)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Provision for employees benefits</b>		
Gratuity (refer note 46)	284.67	258.60
Compensated absences (refer note 46)	89.59	63.57
	<b>374.26</b>	<b>322.17</b>

### 30 Borrowing (Current)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Secured</b>		
<b>From banks:</b>		
Cash credits / overdraft facilities {refer note (a) to (f)}	6,498.57	3,043.46
Working capital demand loan {refer note (g)}	-	601.27
Current maturities of long-term borrowings (refer note 25)	361.83	629.43
<b>Unsecured:</b>		
Cash credits / overdraft facilities {refer note (h)}	7.92	-
Loan from others {refer note (i) and (j)}	25.25	15.25
	<b>6,893.57</b>	<b>4,289.41</b>

a) Cash credit facility from State Bank of India outstanding of Rs 2,768.73 lakhs as at 31 March 2024 (31 March 2023: Rs 2,034.10 lakhs) taken by the company is carrying interest of 2.00% above 6 M MCLR (31 March 2023: 2% above 6M MCLR) is repayable on demand. These are secured by first pari passu charge by way of hypothecation over entire current assets viz. inventory, book debts and other receivables etc. and all movable fixed assets, wherever situated, both present & future at Mumbai & Goa plants. The facility is collaterally secured by:

- Equitable / Registered Mortgage on Unit No B-1, Ground Floor, Industrial Computer and Software Premises Co. Op. Soc. Ltd., Udyog Sadan-3, Plot no-F4, F5, F6, MIDC, Andheri (E), Mumbai owned by company.
- Equitable / Registered Mortgage on factory land & buildings bearing Survey No.30, plot no. 17 & 18, Verna Industrial Estate, Phase-I, Verna Electronic City, Salcete, Goa owned by company.



## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

- 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 on 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 & Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited and Philins Industrial Corporation.

- b) Cash credit facility from Indusind Bank Ltd outstanding of Rs 1,154.99 lakhs as at 31 March 2024 (31 March 2023: Rs 677.21 lakhs) taken by the company is carrying interest of floating rate of 6M MCLR + 0.75% p.a (31 March 2023: 6M MCLR + 0.75% p.a.) 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. 1,911.00 lakhs.

The facility is backed by personal guarantee of Mr. Venkatesh Uchil & Mr. Vinay Uchil & corporate guarantee of KDU Enterprises Private Limited.

- c) Cash credit facility from Kotak Mahindra Bank Ltd outstanding of Rs 948.84 lakhs as at 31 March 2024 (31 March 2023: Rs N.A.) taken by the company is carrying interest of floating rate of 3M Repo rate + 3.1% (31 March 2023: N.A) is repayable on demand. These are secured by first pari passu hypothecation charge on all existing and future receivables/current assets/ moveable assets/moveable fixed assets of the Company. The facility is collaterally secured by exclusive charge on Land and building at plot no N-51,52,59 and 60 Phase IV Verna Industrial Estate, Salcete, Goa owned by the Company

The tenure of the loan had completed and the loan has been repaid by the Company during the current year.

- d) Cash credit facility with from Axis Bank Limited outstanding of Rs Nil as at 31 March 2024 (31 March 2023: Rs 256.45 lakhs) carrying interest of N.A. (31 March 2023: Repo + 4.25%). is repayable on demand. These was 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 was 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, Ichhpore, 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 was backed by personal guarantee of Mr. Venkatesh Uchil and Mr. Vinay Uchil and corporate guarantee of KDU Enterprises Private Limited.

During the year, the Company has closed cash credit facility and all hypothecation charge & charge on collateral securities have been released. There is a debit balance in the account as at 31 March 2024 which is disclosed as balances with banks under Cash and cash equivalents in note 18.

- e) Cash credit facility from DCB Bank Limited outstanding of Rs 99.27 lakhs as at 31 March 2024 (31 March 2023: Rs 75.70 lakhs) taken by Narhari Engineering Works is carrying interest of EBLR + credit risk premium, as applicable (31 March 2023: EBLR + credit risk premium 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 and Mr. Vinay Uchil and corporate guarantee of Marine Electricals (India) Limited and KDU Enterprises Private Limited.



## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

- f) Foreign currency overdraft facility from Abu Dhabi Commercial Bank PJSC outstanding of AED 67,17,677 equivalent to Rs. 1,526.74 lakhs as at 31 March 2024 (31 March 2023: N.A.) taken by MEL Power Systems FZC, a subsidiary company, carrying interest of 1.75% over 3M EIBOR subject to minimum applicable rate of 6% p.a. (31 March 2023: N.A.) is repayable on demand. The loan is secured by Standby Letter of Credit (SBLC). The facility is backed by personal guarantee of Mr. Vinay Uchil and corporate guarantee of the Company.
- g) Foreign currency working capital demand loan from Axis Bank Limited, Dubai outstanding of Rs Nil as at 31 March 2024 (31 March 2023: AED 26,87,674 equivalent to Rs 601.27 lakhs) taken by MEL Power Systems FZC, a subsidiary company, carrying interest of N.A. (31 March 2023: 3M SOFR + 200 bps p.a.) was repayable on demand. The loan was secured by
- SBLC from Axis Bank Ltd, India with tenure 15 days more than WC tenure;
  - 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;
  - Hypothecation of stock and assignment of receivables of the borrower on a pari passu basis;
  - Undated cheques equivalent to the facility amount and 6 month interest;.
- The facility was backed by personal guarantee of Mr. Venkatesh Uchil & Mr. Vinay Uchil and corporate guarantee of the Company.
- h) Foreign currency overdraft facility from TD Canada Trust outstanding of CAD 12,820.64 equivalent to Rs. 7.92 lakhs as at 31 March 2024 (31 March 2023: N.A.) taken by Xanatos Marine Ltd, a subsidiary company, carrying interest of prime rate + 5% p.a. (31 March 2023: N.A.) is repayable on demand. The loan is unsecured.
- i) Interest free indian rupee unsecured loan from Electrovast Solutions outstanding of Rs 15.25 lakhs as at 31 March 2024 (31 March 2023: Rs 15.25 lakhs) taken by Eltech Engineers Madras Private Limited, a subsidiary company, is repayable on demand.
- j) Interest free indian rupee unsecured loan from Mcgeoch Marine Electricals Private Limited outstanding of Rs 10.00 lakhs as at 31 March 2024 (31 March 2023: N.A.) taken by Evigo Charge Private Limited Limited, a subsidiary company, is repayable on demand.

### 31 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding dues to micro and small enterprises	231.47	147.38
Total outstanding dues to creditors other than micro and small enterprises	21,231.51	14,400.31
	<b>21,462.98</b>	<b>14,547.69</b>

Refer note 47 for details about related party trade payables.

Refer note 57 for trade payables ageing.

### 32 Other financial liabilities (Current)

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due on borrowings	25.02	14.09
Lease deposits	-	20.00
Employee dues payable	324.48	135.41
Unpaid dividends	0.87	0.91
Creditors for purchase of property, plant and equipment	155.73	185.06
Other payables	2.50	15.80
	<b>508.60</b>	<b>371.27</b>

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 33 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Contract liabilities	2,122.20	1,822.22
Statutory dues payable	278.59	236.55
Deferred lease rentals	7.78	
Other payables	955.32	905.52
	<b>3,363.89</b>	<b>2,964.29</b>

### 34 Provision (Current)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Provision for employee benefits:</b>		
Gratuity (Refer note 46)	45.54	15.84
Compensated absences (Refer note 46)	18.48	2.11
	<b>64.02</b>	<b>17.95</b>

### 35 Current tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for tax (net of advance tax)	444.72	193.52
	<b>444.72</b>	<b>193.52</b>

### 36 Revenue from operations

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Revenue from contract with customers:</b>		
Sale of products	55,753.02	39,435.95
Sale of services	6,419.22	4,761.01
	<b>62,172.24</b>	<b>44,196.96</b>
<b>Other operating revenues:</b>		
Duty drawback	39.83	88.48
	<b>62,212.07</b>	<b>44,285.44</b>

#### 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 2024	For the year ended 31 March 2023
- Within India	51,621.56	35,996.52
- Outside India #	10,550.69	8,200.44
	<b>62,172.24</b>	<b>44,196.96</b>

#including deemed export of Rs 1,230.11 lakhs (31 March 2023: Rs 1,235.81 lakhs)

#### Revenue by time:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Over a period of time	31.22	38.59
At a point in time	62,141.02	44,158.37
	<b>62,172.24</b>	<b>44,196.96</b>

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### Reconciliation of revenue recognised with contract price:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Contract price	62,172.24	44,196.96
<b>Adjustments for:</b>		
Claims and rebates	-	-
	<b>62,172.24</b>	<b>44,196.96</b>

### 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 22.
- (iv) The contract liabilities primarily relate to the advance consideration received from customers. Contract liabilities are presented in note 33.
- (v) Trade receivables are presented net off loss allowance in note 17.

### Movement in contract balances:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Movement in contract assets:</b>		
Opening balances as on 1 April	14.46	14.46
Add: Revenue recognized during the year	(14.46)	-
Less: Invoiced during the year	-	-
<b>Closing balance as on 31 March</b>	<b>-</b>	<b>14.46</b>
<b>Movement in contract liabilities:</b>		
Opening balances as on 1 April	1,822.22	1,221.33
Less: Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	(2,011.56)	(791.93)
Add: Deferred revenue and advance from customers	2,311.54	1,392.82
<b>Closing balance as on 31 March</b>	<b>2,122.20</b>	<b>1,822.22</b>

### 37 Other income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on:		
- financial instruments at amortised cost	2.97	4.73
- term deposits	245.12	151.78
- inter corporate loan	20.27	18.71
- advance towards purchase of equity instruments (Refer note 72)	-	12.07
Exchange gain (net)	-	66.89
Liabilities/ sundry balances written back	106.48	37.93
Allowance for expected credit loss written back	-	23.35
Rental income	201.78	73.23
Sale of scrap	10.92	8.29
Insurance claim	2.82	0.21
Profit on sale of property, plant and equipment (net)	0.11	41.43
Miscellaneous income	124.69	13.95
	<b>715.15</b>	<b>452.57</b>

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for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 38 Cost of materials consumed

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventory of materials at the beginning of the year	3,427.02	3,405.32
Acquisition on account of business combination	-	15.84
Add: Purchases	49,856.10	31,307.95
	53,283.12	34,729.11
Less: Inventory of materials at the end of the year	3,706.26	3,427.02
Foreign currency translations	12.05	61.15
	<b>49,588.91</b>	<b>31,363.24</b>

### 39 Changes in inventories of finished goods and work in progress

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Inventories at the beginning of the year:</b>		
Work in progress	2,851.86	4,456.60
Finished goods	99.80	50.39
	2,951.66	4,506.99
<b>Inventories at the end of the year:</b>		
Work in progress	5,381.44	2,851.86
Finished goods	139.17	99.80
	5,520.61	2,951.66
Foreign currency translations	7.95	48.99
	<b>(2,561.00)</b>	<b>1,604.32</b>

### 40 Employee benefits expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and allowances	3,833.92	2,959.38
Contribution to provident and other funds (Refer note 46)	186.43	128.31
Gratuity (Refer note 46)	79.58	61.99
Compensated absences (Refer note 46)	65.32	51.01
Staff welfare	336.77	249.20
	<b>4,502.03</b>	<b>3,449.89</b>

### 41 Finance costs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense on:		
- financial instruments at amortised cost	28.07	27.45
- borrowings from banks and others	765.10	567.57
- statutory payments	29.27	32.21
- lease liabilities	15.75	7.83
- Others	2.50	-
Bank charges	358.04	330.14
Corporate guarantee fees	39.20	28.93
	<b>1,237.92</b>	<b>994.13</b>

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 42 Depreciation and amortization expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment	555.79	518.83
Depreciation on right-of-use assets	63.22	91.16
Depreciation on investment property	59.36	55.72
Amortization on intangible assets	358.25	142.28
	<b>1,036.63</b>	<b>807.99</b>

### 43 Other expenses

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Rent	504.69	315.59
Power and fuel	172.15	141.28
Repair and maintenance		
- plant and machinery	177.04	123.65
- buildings	1.25	1.25
- others	4.06	9.83
Vehicle running expense	43.36	40.93
Rates and taxes	45.29	134.41
Insurance	51.57	46.20
Liquidation damages	18.75	91.86
Inspection charges	248.25	214.17
Commissioning expenses	445.77	276.95
Clearing and forwarding charges	676.38	457.01
Traveling and conveyance	527.89	294.56
Postage and communication	80.09	51.43
Legal and professional fees	1,061.56	1,037.16
Payment to auditors	22.34	19.54
Contribution towards Corporate Social Responsibility	41.86	15.20
Director sitting fees	5.70	5.50
Housekeeping and security charges	95.82	79.24
Printing and stationery	60.39	50.34
Sales promotion and advertisement expenses	195.73	226.73
Sundry balances written off	22.88	11.50
Bad debts written off	633.31	184.18
Allowance for expected credit loss (net)	55.61	-
Exchange loss (net)	27.35	-
Miscellaneous expenses	285.80	182.64
	<b>5,504.87</b>	<b>4,011.15</b>

# Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

## 44 Income tax

The major components of income tax expense for the year ended 31 March 2024 and 31 March 2023 are:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Statement of profit and loss section</b>		
<b>Current income tax :</b>		
Current income tax charge	1,124.06	799.86
Adjustment in respect of tax for earlier years	9.42	(23.67)
<b>Deferred tax charge/(credit) :</b>		
Relating to origination and reversal of temporary differences	(77.80)	51.02
<b>Income tax expense reported in the statement of profit and loss</b>	<b>1,055.68</b>	<b>827.21</b>
<b>Other comprehensive income section</b>		
Income tax relating to items that will not be reclassified to profit or loss	0.06	(4.56)
	<b>1,055.62</b>	<b>831.77</b>

## Reconciliation of tax expense and the accounting profit

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Accounting profit before tax</b>	<b>3,632.01</b>	<b>2,507.29</b>
<b>Computed tax expense :</b>		
At India's statutory income tax rate of 25.168% (31 March 2023: 25.168%)	914.11	631.04
Adjustments for :		
Amounts which are non-deductible in calculating taxable income	36.83	18.08
Expenses deductible for tax purpose	(10.65)	(5.53)
Effect of tax rate changes in subsidiaries	16.65	36.64
Effect of difference in tax rate	-	(4.18)
Adjustment in respect of tax for earlier years	9.42	(23.67)
Items for which deferred tax was not recognised	58.26	86.02
Others	31.01	93.37
<b>At the effective income tax rate</b>	<b>1,055.62</b>	<b>831.77</b>
<b>Income tax expense reported in statement of profit and loss</b>	<b>1,055.62</b>	<b>831.77</b>

## Deferred tax relates to the following

Particulars	Balance sheet		Statement of profit and loss	
	As at 31 March 2024	As at 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023
Provision for employee benefits	99.74	85.33	14.41	(13.79)
Delayed outstanding of micro and small enterprises	11.69	-	11.69	
Disallowance u/s 40(a) of Income-tax Act, 1961	23.03	-	23.03	-
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	23.35	6.07	17.28	(23.74)
Ind AS 116 - "Leases"	41.84	40.25	1.59	1.63



## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### Deferred tax relates to the following

Particulars	Balance sheet		Statement of profit and loss	
	As at 31 March 2024	As at 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023
Accelerated depreciation for tax purpose	(62.46)	(81.96)	19.50	(8.21)
Ind AS 115 - "Revenue from contracts with customers"	-	(4.42)	4.42	-
Others	0.98	1.31	(0.33)	(1.43)
<b>Net deferred tax (charge) / credit</b>	<b>-</b>	<b>-</b>	<b>77.86</b>	<b>(55.58)</b>
<b>Net deferred tax assets / (liabilities)</b>	<b>124.44</b>	<b>46.58</b>	<b>-</b>	<b>-</b>

### Reflected in the balance sheet as follows

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax liabilities	(76.19)	(86.38)
Deferred tax assets	200.63	132.96
<b>Deferred tax assets / (liabilities), net</b>	<b>124.44</b>	<b>46.58</b>

### Reconciliation of deferred tax (liabilities) / assets, net

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance as on April 1	46.58	102.16
Tax (income) / expense during the year recognised in statement of profit and loss	(77.80)	51.02
Tax (income) / expense during the year recognised in other comprehensive income	(0.06)	4.56
<b>Closing balance</b>	<b>124.44</b>	<b>46.58</b>

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.

## 45 Earnings per share

The following table set forth the computation of basic and dilutive earnings per share:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Net profit for the year attributable to equity shareholders	2,589.94	1,699.54
Weighted average number of equity shares outstanding during the year	12,84,03,501	12,29,85,524
Weighted average number of equity shares (including dilutive shares) outstanding during the year	12,84,03,501	12,52,98,180
Basic earnings per equity share [Face value of Rs. 2 each] (Rupees)	2.02	1.38
Diluted earnings per equity share [Face value of Rs. 2 each] (Rupees)	2.02	1.36

### Reconciliation of shares used in computing earnings per share

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
No. of equity shares at the beginning of the year	12,63,15,250	12,26,65,250
Add: Equity shares issued during the year on conversion of share warrants *	63,50,000	36,50,000
No. of equity shares at the end of the year	<b>13,26,65,250</b>	<b>12,63,15,250</b>
Weighted average number of equity shares outstanding during the year	12,84,03,501	12,29,85,524
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	<b>12,84,03,501</b>	<b>12,52,98,180</b>

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

\* During the previous 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, 63,50,000 (31 March 2023: 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.

### 46 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. 186.43 lakhs (31 March 2023: Rs 128.31 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 2024	For the year ended 31 March 2023
<b>Present value of DBO at start of the year</b>	273.99	247.73
Current service cost	57.09	43.70
Interest cost	19.73	17.84
Benefits paid	(21.29)	(17.14)
<i>Re-measurements</i>		
Actuarial loss / (gain) from changes in demographic assumptions	(30.81)	-
Actuarial loss / (gain) from changes in financial assumptions	18.57	-
Actuarial loss / (gain) from experience over the past year	12.48	(18.14)
<b>Present value of DBO at end of the year</b>	<b>329.76</b>	<b>273.99</b>

#### Net Liability / (Asset) recognised in the Balance Sheet

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of DBO	329.76	273.99
Fair value of plan assets	-	-
<b>Liability / (Asset) recognised in the Balance Sheet</b>	<b>329.76</b>	<b>273.99</b>

#### Expense recognised in the statement of profit and loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	57.09	43.70
Net interest on net defined benefit liability / (asset)	19.73	17.84
<b>Total</b>	<b>76.82</b>	<b>61.54</b>

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### Income / (Loss) recognised in other comprehensive income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial loss / (gain) from changes in demographic assumptions	(30.81)	-
Actuarial (loss) / gain from changes in financial assumptions	18.57	-
Actuarial (loss) / gain from experience over the past year	12.48	(18.14)
<b>Total loss / (income)</b>	<b>0.24</b>	<b>(18.14)</b>

### Actuarial assumptions

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salary growth rate	9% p.a.	8% p.a.
Discount rate	7% p.a.	7.2% p.a.
Interest rate on Net DBO	7.2% p.a.	7.2% p.a.
Withdrawal rate	15% p.a.	2% p.a.
Mortality rates	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Weighted average duration of the obligation	4 years	11 years

### Experience adjustments

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Defined benefit obligation	329.76	273.99
Funded Status [Surplus/ (Deficit)]	(329.76)	(273.99)
Exp. Adj. on plan liabilities: (gain) / loss	12.48	(18.14)
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 2024	
	Increases 1%	Decreases 1%
Salary growth rate	DBO increases by Rs 15.72 lakhs	DBO decreases by Rs. 15.50 lakhs
Discount rate	DBO decreases by Rs 15.64 lakhs	DBO increases by Rs 16.18 lakhs
Withdrawal rate	DBO decreases by Rs 2.40 lakhs	DBO increases by Rs 2.57 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 0.08 lakhs	NA
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

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

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 2.76 lakhs for the year ended 31 March 2024 (31 March 2023: Rs 0.45 lakhs) and provision for gratuity liability includes gratuity liability of Rs 0.45 lakhs as at 31 March 2024 (31 March 2023: Rs 0.45 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. 65.32 lakhs (31 March 2023: Rs. 51.01 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.

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 47 Related party disclosures

#### A) Name of related parties

##### (I) Parent Company

KDU Enterprises Private Limited (upto 20 February 2024)

##### (II) Other related parties

###### a) Associates

Marks Marine Radio Private Limited (w.e.f. 25 October 2023)

Athmar India Private Limited (w.e.f. 8 February 2024)

###### b) Partnership firms in which directors are partners\*

DKM Precision Engineers

Philins Industrial Corporation

###### c) Enterprises in which directors have significant influence\*

KDU Enterprises Private Limited (w.e.f. 21 February 2024)

Mcgeoch Marine Electricals Private Limited

Switch N Control Gears Private Limited

KDU Marine Equipment Trading and Maintenance LLC

KDU Worldwide Technical Services Ghana Private Limited

KDU Worldwide Middle East Marine Services LLC

##### (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 (upto 13 December 2023)

Mr. Deep Shah, Company Secretary and Compliance Officer (w.e.f. 14 February 2024)

###### 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.

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### B) Related party transactions during the year

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>a) Lease rent payment</b>		
KDU Enterprises Private Limited	276.19	273.43
Philins Industrial Corporation	47.86	39.22
Ms. Rashmi Uchil	9.00	9.00
<b>b) Rental income</b>		
Switch N Control Gears Private Limited	24.07	15.57
<b>c) Professional fees</b>		
Ms. Rashmi Uchil	9.00	9.00
<b>d) Purchases</b>		
KDU Enterprises Private Limited	208.93	156.17
KDU Marine Equipment Trading and Maintenance LLC	2.99	11.40
Philins Industrial Corporation	19.54	12.02
Switch N Control Gears Private Limited	70.76	166.02
Mcgeoch Marine Electricals Private Limited	7.61	2.28
Marks Marine Radio Private Limited	0.90	-
<b>e) Commissioning expenses</b>		
KDU Marine Equipment Trading and Maintenance LLC	4.30	9.34
<b>f) Sales</b>		
Mcgeoch Marine Electricals Private Limited	-	27.14
KDU Marine Equipment Trading and Maintenance LLC	29.99	15.77
KDU Worldwide Middle East Marine Services LLC	258.40	-
Marks Marine Radio Private Limited	4.62	-
<b>g) Corporate guarantee fees</b>		
KDU Enterprises Private Limited	39.20	28.93
<b>h) Transactions with key management personnel and relatives</b>		
Salaries and other employee benefits to whole-time directors, executive officers and relatives *	244.15	189.29
Director sitting fees to non-executive / independent directors	5.70	5.50
Reimbursement of expenses	104.26	-

\* 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.



## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### C) Outstanding balances as at year end

Particulars	As at 31 March 2024	As at 31 March 2023
<b>a) Trade receivables</b>		
DKM Precision Engineers	1.66	1.66
KDU Marine Equipment Trading and Maintenance LLC	15.83	-
KDU Worldwide Technical Services Ghana Private Limited	40.73	49.47
Mcgeoch Marine Electricals Private Limited	47.63	57.33
Marks Marine Radio Private Limited	3.58	-
<b>b) Advance to suppliers</b>		
Switch N Controlgears Private Limited	55.00	-
<b>c) Trade payables</b>		
KDU Enterprises Private Limited	53.95	48.45
KDU Marine Equipment Trading and Maintenance LLC	7.29	4.26
Mcgeoch Marine Electricals Private Limited	-	2.28
Marks Marine Radio Private Limited	0.89	-
<b>d) Deposits</b>		
KDU Enterprises Private Limited	288.00	288.00
Philins Industrial Corporation	48.00	48.00
Ms. Rashmi Uchil	7.20	7.20
<b>e) Rent receivable</b>		
Switch N Control Gears Private Limited	12.96	5.94
<b>f) Payables to key management personnel and relatives</b>		
Salaries and other employee benefits to whole-time directors, executive officers and relatives *	5.24	-
Director sitting fees to non-executive / independent directors	1.13	1.22
Reimbursement of expenses payable	68.18	-

\* 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.

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 48 Leases

The following is the break-up of lease liabilities as at reporting date

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current	115.84	57.27
Current	40.31	0.88
<b>Total</b>	<b>156.15</b>	<b>58.15</b>

The following is the movement of lease liabilities

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Balance at the start of the year	58.15	127.80
Addition during the year	121.69	-
Lease rent payment	(39.44)	(77.48)
Finance cost incurred	15.75	7.83
<b>Balance at the end of the year</b>	<b>156.15</b>	<b>58.15</b>

Amount recognized in statement of profit and loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on lease liabilities	15.75	7.83
Depreciation on right-of-use assets	63.22	91.16
Expense relating to short-term leases and low value assets	504.69	315.59
	<b>583.66</b>	<b>414.58</b>

The maturity analysis of lease liabilities is disclosed in Note 50.

### 49 Segment information

The Group is primarily engaged into the business of providing integrated electrical and automation solution. The main segments of the Group are:

- Marine: Providing products and services of navigational equipment's etc in new ship building.
- Industry: Providing products and services of power distribution and solutions for industries like data centre, industrial and large buildings.

As per Ind AS 108 - "Operating Segments", operating segments are those components of the business whose operating results are reviewed by the Chief Operating Decision Maker ("CODM") to make decisions for performance assessment and resource allocation. Previously, the Group was disclosing two business segments i.e. Electricals & Electronics and Solar. In the board meeting dated 29 May 2023, board approved change in operating segment reporting between two business segments i.e. Marine and Industry, as segments based on how CODM make decision internally for performance assessment and resource allocation.

Pursuant to approval by Board, the Group has identified its reportable segment as Marine and Industry during the year and accordingly previous period / year figures have been regrouped / rearranged among those segments.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A. Segment revenue</b>		
(a) Marine	35,418.58	24,966.06
(b) Industry	26,793.49	19,319.38
<b>Revenue from operations</b>	<b>62,212.07</b>	<b>44,285.44</b>
<b>B. Segment results</b>		
(a) Marine	2,698.26	1,878.51
(b) Industry	1,495.22	1,205.75
<b>Total</b>	<b>4,193.48</b>	<b>3,084.26</b>
Less: Finance costs	(1,237.92)	(994.13)
Add: Other unallocable income net of unallocable expenses	676.45	417.16
<b>Profit before tax</b>	<b>3,632.01</b>	<b>2,507.29</b>

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

The CODM does not review assets and liabilities for each operating segment separately, hence segment disclosure relating to assets and liabilities have not been furnished.

### Information about major customers

There is 1 (31 March 2023: 2) customers contributing in excess of 10% of the total revenue of the Group amounting to Rs 7,761.46 lakhs for the year ended 31 March 2024 (31 March 2023: Rs. 10,533.72 lakhs).

## 50. Financial instruments

The classification of each category of financial instruments and their carrying amounts are as below:

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Financial assets measured at amortized cost:</b>		
Trade receivables ^	31,702.65	22,609.27
Cash and cash equivalents ^	653.18	291.71
Bank balances other than cash and cash equivalents above ^	1,665.92	1,643.74
Loans ^	437.27	852.75
Other financial assets ^	3,384.76	2,742.67
<b>Financial assets measured at fair value through profit or loss / accounted for using equity method:</b>		
Investments^	598.73	345.78
<b>Total financial assets</b>	<b>38,442.51</b>	<b>28,485.92</b>
<b>Financial liabilities measured at amortized cost:</b>		
Borrowings ^	9,547.51	6,511.36
Lease liabilities ^	156.15	58.15
Trade payables ^	21,462.98	14,547.69
Other financial liabilities ^	582.83	479.27
<b>Total financial liabilities</b>	<b>31,749.47</b>	<b>21,596.47</b>

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
<b>As at 31 March 2024</b>				
<b>Financial assets:</b>				
<b>Non current investments:</b>				
Investment in other companies	-	-	598.73	598.73
<b>As at 31 March 2023</b>				
<b>Financial assets:</b>				
<b>Non current investments:</b>				
Investment in other companies	-	-	345.78	345.78

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).

# Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

## 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 2024	As at 31 March 2023
Low credit risk	Cash and cash equivalents, other bank balances, trade receivables, loans and other financial assets.	37,843.78	28,140.14

#### (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 deposits, staff advances, interest accrued on loans/deposits, unbilled revenue, 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.

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(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 of trade receivables, loans and other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	111.32	134.67
Change in allowance for expected credit loss:		
Allowance for expected credit loss provided/written back (net)	55.61	(23.35)
	<b>55.61</b>	<b>(23.35)</b>
Closing balance	<b>166.93</b>	<b>111.32</b>

### (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
<b>As at 31 March 2024</b>						
Borrowings	9,547.51	9,633.03	6,531.74	361.83	1,563.33	1,176.13
Lease liabilities	156.15	213.24	-	53.47	92.63	67.14
Trade payables	21,462.98	21,462.98	-	21,462.98	-	-
Other financial liabilities	582.83	582.83	3.37	579.46	-	-
<b>Total</b>	<b>31,749.47</b>	<b>31,892.08</b>	<b>6,535.11</b>	<b>22,457.74</b>	<b>1,655.96</b>	<b>1,243.27</b>

Particulars	Carrying amount	Total	On demand	0–12 months	1–5 years	> 5 years
<b>As at 31 March 2023</b>						
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
<b>Total</b>	<b>21,596.47</b>	<b>21,747.24</b>	<b>3,680.89</b>	<b>15,534.53</b>	<b>1,529.04</b>	<b>1,002.77</b>

### (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.

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### Foreign currency risk exposure

#### Particulars of unhedged foreign currency exposure :

Particulars		As at 31 March 2024		As at 31 March 2023	
		Amount in Foreign Currency	Amount equivalent in INR Lakhs	Amount in Foreign Currency	Amount equivalent in INR Lakhs
<b>Foreign currency receivables</b>					
- representing trade receivables	USD	11,43,126	934.74	10,03,998	816.95
	EURO	10,340	9.16	10,200	8.98
	GBP*	2,374	2.46	1,800	1.80
<b>Foreign currency payable</b>					
- representing trade payables	AED*	18,920	4.42	18,500	4.26
	USD	4,26,221	358.45	2,87,688	238.41
	EURO	25,08,308	2,294.60	11,73,148	1,067.68
	GBP*	4,391	4.69	11,194	11.58
<b>Exchange Earners' Foreign Currency (EEFC) account</b>	EURO	8,390	7.43	-	-
	USD	66,462	54.90	201	0.16
<b>Foreign currency notes</b>	EURO	70	0.06	403	0.37
	USD	277	0.23	41	0.03

\* The Group does not expect any change in the exchange rate of AED / GBP and INR, resulting into any significant impact to the financial numbers.

### Sensitivity to risk

Particulars	Impact of profit - Increase / (decrease)	
	As at 31 March 2024	As at 31 March 2023
<b>USD Sensitivity</b>		
INR/USD - Increase by 5% (31 March 2023-5%)	31.57	28.94
INR/USD - Decrease by 5% (31 March 2023 - 5%)	(31.57)	(28.94)
<b>Euro Sensitivity</b>		
INR/EURO - Increase by 5% (31 March 2023 - 5%)	(113.90)	(52.92)
INR/EURO - Decrease by 5% (31 March 2023 - 5%)	113.90	52.92

#### 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 2024	As at 31 March 2023
Variable rate borrowings	9,278.48	6,345.67
Fixed rate borrowings	269.03	165.69
<b>Total borrowings</b>	<b>9,547.51</b>	<b>6,511.36</b>

### 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.



# Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Impact on profit -Increase / (decrease)	
	100 bp increase	100 bp decrease
Variable rate instrument as at 31 March 2024	(92.78)	92.78
Variable rate instrument as at 31 March 2023	(63.46)	63.46

## 51 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 2024	As at 31 March 2023
Total borrowings	9,547.51	6,511.36
Lease liabilities	156.15	58.15
Less: Cash and cash equivalent and other bank balances	(2,319.10)	(1,935.45)
<b>Adjusted net debt</b>	<b>7,384.56</b>	<b>4,634.06</b>
<b>Total equity</b>	<b>25,550.20</b>	<b>21,479.75</b>
<b>Adjusted net debt to total equity ratio</b>	<b>0.29</b>	<b>0.22</b>

## 52 Contingent liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
a. Bank guarantees towards advances, liquidated damages and other contractual/legal obligations reduced by an amount of Rs 138.63 lakhs (31 March 2023: Rs 270.10 lakhs) towards the counter bank guarantee received from sub-contractors	10,773.92	9,325.10
b. Letter of credit opened in favour of suppliers	707.59	1,252.12
c. Disputed tax liabilities [net of amount deposited under protest Rs. 3.06 lakhs (31 March 2023: Rs. 1.90 lakhs)] {refer note (i)}	260.86	164.73
d. Custom duty [net of amount deposited under protest Rs 65.00 lakhs (31 March 2023: Rs 65.00 lakhs)] {Refer note (ii)}	67.62	67.62

### Notes :

(i) The various disputed tax litigations are as under :

Particulars	Period to which it relates	As at 31 March 2024	As at 31 March 2023
<b>a. Income Tax</b>			
Disallowances / additions / demand raised by the income tax department pending before various authorities / appellate authorities [net of amount deposited under protest Rs 3.06 lakhs (31 March 2023: Rs 1.08 lakhs)]	AY 13-14 to AY 19-20 and AY 21-22 (31 March 2023: AY 13-14 to AY 19-20 and AY 21-22)	68.85	67.26
<b>b. Income Tax (Indian Subsidiary)</b>			
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 2023: AY 06-07 to AY 11-12 and AY 18-19)	20.40	20.40

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Period to which it relates	As at 31 March 2024	As at 31 March 2023
<b>c. Sales Tax / VAT</b>			
Demands raised by Sales tax / VAT department pending before various authorities / appellate authorities [net of amount deposited under protest Rs Nil (31 March 2023: Rs 0.82 lakhs)]	FY 09-10 and FY 16-17 (31 March 2023: FY 09-10 and FY 16-17)	71.12	77.07
<b>d. Goods &amp; Service Tax</b>			
Demands raised by GST department pending before various authorities / appellate authorities	FY 18-19 (31 March 2023: NA)	100.49	-
		<b>260.86</b>	<b>164.73</b>

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 currently in the final argument stage before the arbitrator. Pending arbitration, the impact of the outcome of the proceedings on these financial statements of the Company is currently not ascertainable.
- (iv) During the F.Y.2021-22, pursuant to inspection by GST Department, the company paid Rs.120.14 lakhs towards GST on bank guarantee invocation. The Company during F.Y.2022-23 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 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 2023-24 based on the present salary structure followed by the Group for its class of employees.

### 53 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 2024	As at 31 March 2023
Property, plant and equipment	499.45	276.29

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 54 Interests in other entities

#### (a) Subsidiaries / Step down subsidiary

The Holding Company's subsidiaries at 31 March 2024 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 2024	31 March 2023	31 March 2024	31 March 2023
Eltech Engineers Madras Private Limited	India	94.00%	70.00%	6.00%	30.00%
Narhari Engineering Works	India	99.00%	99.00%	1.00%	1.00%
Evigo Charge Private Limited (formerly known as Evigo Charging Consultants Private Limited)	India	99.44%	98.88%	0.56%	1.12%
MEL Power Systems FZC	United Arab Emirates	93.71%	90.00%	6.29%	10.00%
STI SRL, subsidiary of MEL Power Systems FZC	Italy	70.28%	67.50%	29.72%	32.50%
Xanatos Marine Ltd	Canada	75.00%	75.00%	25.00%	25.00%
Xanatech Synergies Private Limited	India	93.50%	-	6.50%	-

#### (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 2024						
	Eltech Engineers Madras Private Limited	Narhari Engineering Works	MEL Power Systems FZC	STI SRL	Evigo Charge Private Limited	Xanatos Marine Ltd.	Xanatech Synergies Private Limited
Current assets	4.11	1,457.52	5,616.17	3,893.72	218.08	1,062.40	13.71
Current liabilities	119.09	737.21	2,260.17	3,584.63	755.51	1,254.03	112.71
<b>Net current assets</b>	<b>(114.98)</b>	<b>720.31</b>	<b>3,356.00</b>	<b>309.09</b>	<b>(537.43)</b>	<b>(191.63)</b>	<b>(99.00)</b>
Non-current assets	4.33	716.22	909.66	1,292.93	133.23	1.26	99.55
Non-current liabilities	-	91.73	-	-	-	296.37	-
<b>Net non-current assets</b>	<b>4.33</b>	<b>624.49</b>	<b>909.66</b>	<b>1,292.93</b>	<b>133.23</b>	<b>(295.10)</b>	<b>99.55</b>
<b>Net assets</b>	<b>(110.65)</b>	<b>1,344.80</b>	<b>4,265.66</b>	<b>1,602.02</b>	<b>(404.20)</b>	<b>(486.73)</b>	<b>0.55</b>
<b>Accumulated Non Controlling Interest</b>	<b>(71.45)</b>	<b>23.40</b>	<b>244.27</b>	<b>500.87</b>	<b>(2.27)</b>	<b>(121.66)</b>	<b>0.23</b>

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.	Xanatech Synergies Private Limited
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	-
<b>Net current assets</b>	<b>(246.21)</b>	<b>834.40</b>	<b>2,730.44</b>	<b>329.24</b>	<b>(350.29)</b>	<b>71.81</b>	<b>-</b>
Non-current assets	4.28	331.79	895.41	1,248.15	67.39	2.42	-
Non-current liabilities	-	-	-	-	-	421.20	-
<b>Net non-current assets</b>	<b>4.28</b>	<b>331.79</b>	<b>895.41</b>	<b>1,248.15</b>	<b>67.39</b>	<b>(418.78)</b>	<b>-</b>
<b>Net assets</b>	<b>(241.93)</b>	<b>1,166.19</b>	<b>3,625.85</b>	<b>1,577.39</b>	<b>(282.90)</b>	<b>(346.97)</b>	<b>-</b>
<b>Accumulated Non Controlling Interest</b>	<b>(72.58)</b>	<b>21.62</b>	<b>362.58</b>	<b>512.65</b>	<b>(3.17)</b>	<b>(86.74)</b>	<b>-</b>

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

Summarised statement of profit and loss	As at 31 March 2024						
	Eltech Engineers Madras Private Limited	Narhari Engineering Works	MEL Power Systems FZC	STI SRL	Evigo Charge Private Limited	Xanatos Marine Ltd.	Xanatech Synergies Private Limited
Revenue from operations	-	2,108.56	4,305.01	3,377.56	355.45	1,009.33	-
Profit / (Loss) for the year	11.29	178.61	185.29	10.51	(224.10)	(134.63)	(0.45)
Other comprehensive income	-	-	60.12	14.12	-	(5.17)	-
<b>Total comprehensive income</b>	<b>11.29</b>	<b>178.61</b>	<b>245.41</b>	<b>24.63</b>	<b>(224.10)</b>	<b>(139.80)</b>	<b>(0.45)</b>
<b>Allocated to Non Controlling Interest</b>	<b>1.13</b>	<b>1.79</b>	<b>21.40</b>	<b>7.31</b>	<b>(2.05)</b>	<b>(34.95)</b>	<b>(0.03)</b>

Summarised statement of profit and loss	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.	Xanatech Synergies Private Limited
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	-
<b>Total comprehensive income</b>	<b>20.91</b>	<b>229.27</b>	<b>332.68</b>	<b>(122.40)</b>	<b>(330.26)</b>	<b>(33.15)</b>	<b>-</b>
<b>Allocated to Non Controlling Interest</b>	<b>6.27</b>	<b>32.33</b>	<b>33.27</b>	<b>(59.54)</b>	<b>(58.01)</b>	<b>(8.29)</b>	<b>-</b>

Summarised Cash flows	As at 31 March 2024						
	Eltech Engineers Madras Private Limited	Narhari Engineering Works	MEL Power Systems FZC	STI SRL	Evigo Charge Private Limited	Xanatos Marine Ltd.	Xanatech Synergies Private Limited
Cash flow from operating activities	(119.39)	(191.08)	(1,044.95)	344.02	40.96	117.99	(100.50)
Cash flow from investing activities	-	(67.77)	-	(255.96)	(79.53)	(0.27)	-
Cash flow from financing activities	119.87	126.68	1,311.04	-	52.74	(128.29)	113.45
<b>Net Increase/(decrease) in cash and cash equivalents</b>	<b>0.47</b>	<b>(132.17)</b>	<b>266.09</b>	<b>88.06</b>	<b>14.17</b>	<b>(10.57)</b>	<b>12.95</b>
<b>Allocated to Non Controlling Interest</b>	<b>0.03</b>	<b>(1.32)</b>	<b>16.74</b>	<b>5.72</b>	<b>0.08</b>	<b>(2.64)</b>	<b>0.84</b>

Summarised Cash flows	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.	Xanatech Synergies Private Limited
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	-	-
<b>Net Increase/(decrease) in cash and cash equivalents</b>	<b>(0.07)</b>	<b>152.94</b>	<b>28.94</b>	<b>(34.39)</b>	<b>0.41</b>	<b>6.24</b>	<b>-</b>
<b>Allocated to Non Controlling Interest</b>	<b>(0.02)</b>	<b>1.53</b>	<b>2.89</b>	<b>(11.18)</b>	<b>0.00</b>	<b>1.56</b>	<b>-</b>

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

**55** 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 2024 i.e. total assets minus total liabilities		Share in profit or (loss) for 31 March 2024		Share in other comprehensive income / (loss) for 31 March 2024		Share in total comprehensive income / (loss) for 31 March 2024	
	As % of consolidated net assets	Amount	As % of consolidated Profit & Loss	Amount	As % of consolidated Profit & Loss	Amount	As % of consolidated Profit & Loss	Amount
<b>Holding Company</b>								
Marine Electricals (India) Limited	87.18%	22,275.12	110.05%	2,835.22	(0.29%)	(0.18)	107.46%	2,835.04
<b>Subsidiaries / step down subsidiary</b>								
Eltech Engineers Madras Private Limited	(0.43%)	(110.65)	0.44%	11.29	-	-	0.43%	11.29
Narhari Engineering Works	5.26%	1,344.80	6.93%	178.61	-	-	6.77%	178.61
Evigo Charge Private Limited (formerly known as Evigo Charging Consultants Private Limited)	(1.58%)	(404.20)	(8.70%)	(224.10)	-	-	(8.49%)	(224.10)
MEL Power Systems FZC	16.70%	4,265.66	7.19%	185.29	97.13%	60.12	9.30%	245.41
STI SRL	6.27%	1,602.02	0.41%	10.51	22.81%	14.12	0.93%	24.63
Xanatos Marine Ltd	(1.90%)	(486.73)	(5.23%)	(134.63)	(8.35%)	(5.17)	(5.30%)	(139.80)
Xanatech Synergies Private Limited	0.00%	0.55	(0.02%)	(0.45)	-	-	(0.02%)	(0.45)
<b>Associates</b>								
Marks Marine Radio Private Limited	0.98%	249.33	0.55%	14.15	-	-	0.01%	14.15
Non controlling interest	1.88%	481.27	(0.53%)	(13.61)	13.25%	8.20	(0.20%)	(5.41)
Less: Consolidation adjustments	(14.35%)	(3,666.96)	(11.10%)	(285.95)	(24.55%)	(15.19)	(11.41%)	(301.15)
<b>Total</b>	<b>100.00%</b>	<b>25,550.20</b>	<b>100.00%</b>	<b>2,576.33</b>	<b>100.00%</b>	<b>61.89</b>	<b>100.00%</b>	<b>2,638.22</b>

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 for 31 March 2023		Share in total comprehensive income 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
<b>Holding Company</b>								
Marine Electricals (India) Limited	83.84%	18,007.83	116.10%	1,950.62	8.82%	13.58	107.09%	1,964.20
<b>Subsidiaries / step down subsidiary</b>								
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)
<b>Total</b>	<b>100.00%</b>	<b>21,479.75</b>	<b>100.00%</b>	<b>1,680.08</b>	<b>100.00%</b>	<b>154.03</b>	<b>100.00%</b>	<b>1,834.11</b>

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 56 Trade receivable ageing:

As at 31 March 2024

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	4,019.35	22,368.46	1,056.72	491.83	492.84	3,293.47	31,722.67
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	128.41	128.41
Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>4,019.35</b>	<b>22,368.46</b>	<b>1,056.72</b>	<b>491.83</b>	<b>492.84</b>	<b>3,421.88</b>	<b>31,851.08</b>
Less: Allowance for expected credit loss							(148.43)
<b>Total trade receivables</b>							<b>31,702.65</b>

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	-	-	-	-	-	-	-
<b>Total</b>	<b>2,396.03</b>	<b>15,106.87</b>	<b>987.92</b>	<b>660.33</b>	<b>399.74</b>	<b>3,151.20</b>	<b>22,702.09</b>
Less: Allowance for expected credit loss							( 92.82)
<b>Total trade receivables</b>							<b>22,609.27</b>



## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 57 Trade payable ageing:

As at 31 March 2024

Particulars	Non- Due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	-	231.28	0.07	-	0.12	231.47
Others	-	18,297.01	463.91	201.17	1,441.78	20,403.87
Disputed dues -MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	103.87	103.87
<b>Total</b>	<b>-</b>	<b>18,528.29</b>	<b>463.98</b>	<b>201.17</b>	<b>1,545.77</b>	<b>20,739.21</b>
Add: Accrued expenses						723.77
<b>Total trade payables</b>						<b>21,462.98</b>

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
<b>Total</b>	<b>-</b>	<b>12,241.13</b>	<b>296.42</b>	<b>389.38</b>	<b>1,460.71</b>	<b>14,387.64</b>
Add: Accrued expenses						160.05
<b>Total trade payables</b>						<b>14,547.69</b>

### 58 Capital work in progress ageing

As at 31 March 2024

Particulars	Amount in Capital work in progress for a period of				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Project in progress	308.22	-	-	-	308.22
<b>Total</b>	<b>308.22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>308.22</b>

As at 31 March 2023

Particulars	Amount in Capital work in progress for a period of				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Project in progress	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 59 Intangible assets under development ageing

As at 31 March 2024	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	246.21	-	-	-	246.21
<b>Total</b>	<b>246.21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>246.21</b>

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	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 60 Subsequent events

There are no significant reportable subsequent events that have occurred after the reporting period till the date of this financial statements.

### 61 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 Group 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) Registration of charges or satisfaction with Registrar of Companies (ROC):

The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period, except for the below mentioned instance based on the procedures performed by the respective auditor of a subsidiary:

In case of Eltech Engineers Madras Private Limited ('Eltech'), a subsidiary company, charge of Rs. 50 Lakhs was created by Eltech on 26 September 2013. The loan is closed already, however the form for satisfaction of charges could not be filed. Eltech is in the process to file the necessary form to close the charges.

#### 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:

- 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
- 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:

- 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.

#### 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.

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### 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.

### viii) Compliance with approved Scheme of Arrangement:

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

### 62 Details of crypto currency or virtual currency:

The Group has not traded or invested in Crypto currency or Virtual currency during the financial year.

### 63 Undisclosed income:

The Group does not have 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).

### 64 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.

### 65 The Group did not have any long-term contracts including derivative contracts for which there were any foreseeable losses as at 31 March 2024.

### 66 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.

### 67 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
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment		<b>1.83</b>
<b>Current assets</b>		
Inventories	11.92	
Trade receivables	79.02	
Cash and cash equivalents	4.27	
Other financial assets	45.73	
Other current assets	6.54	<b>147.48</b>
<b>Total assets</b>		<b>149.31</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings		<b>317.82</b>
<b>Current liabilities</b>		
Trade payables	36.08	
Other financial liabilities	12.00	
Other current liabilities	18.76	<b>66.84</b>
<b>Total liabilities</b>		<b>384.66</b>
<b>Net identifiable assets acquired</b>		<b>(235.36)</b>

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

### (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
<b>Goodwill</b>	<b>782.36</b>

(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 had 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.

**68** During the previous year, on 07 December 2022, Board of Directors of a subsidiary company, Evigo Charge Private Limited (formerly known as Evigo Charging Consultants Private Limited) ("Evigo"), had 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 had increased from 71.04% to 98.88%.

**69** During the previous year, 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 had 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 was entered between the parties w.e.f. 30 September 2022.

**70** During the year, the Company has made further investment in 12,00,000 equity shares of one of its subsidiary, Eltech Engineers Madras Private Limited ("Eltech"), at face value of Rs 10 each on 01 June 2023. The said investment was approved by the Board of Directors in their meeting held on 13 February 2023. Post this investment, the shareholding of the Company in Eltech has increased from 70.00% to 94.00%.

**71** On 17 November 2023, Board of Directors of a subsidiary company, Evigo Charge Private Limited ("Evigo"), has considered and approved allotment of 10,27,777 equity shares of face value of Rs 10 each on right issue basis by conversion of loan (including interest) amounting to Rs. 102.78 lakhs given by the Company to Evigo. Post the allotment of shares pursuant to conversion of loan, the shareholding of the Company in Evigo has increased from 98.88% to 99.44%.

**72** 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 Marks Marine Radio Private Limited ("MMRPL") engaged in marine electronic products. As per the terms of MOU, the Company subject to valuation of shares had lend Rs 100.00 lakhs as advance.

During previous year, 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.

During current year, the Board of Directors of the Company at its meeting held on 16 October 2023 accorded its consent to acquire 49.20% of issued and paid-up equity share capital of MMRPL by way of acquiring of 2460 equity shares from its shareholders for total consideration amounting to Rs 235.18 lakhs. The transfer of shares related to the acquisition were approved by the Board of MMRPL at its meeting held on 25 October 2023. Post completion of acquisition, MMRPL has become associate of the Company w.e.f. 25 October 2023. The Group has accounted for the acquisition in accordance with Indian Accounting Standard (Ind AS) 28 - Investments in Associates and Joint Ventures.

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

- 73** The Board of Directors of the Company on 13 February 2023 approved further investment of upto Rs 400.00 lakhs in MEL Power Systems FZC ("MEL"), a foreign subsidiary of the Company, by way of purchase of additional equity shares to be allotted to the Company by MEL. During the current quarter, 59 no. of equity shares of AED 1500 each were issued by MEL for a total consideration of Rs 399.98 lakhs (including premium) on 08 January 2024. Post allotment of these additional equity shares, the shareholding of the Company in MEL has increased from 90.00% to 93.71%.
- 74** During the year ended 31 March 2024, the Company has incorporated a subsidiary company named as Xanatech Synergies Private Limited ("XSPL") on 22 January 2024 consequent to the joint venture agreement with its foreign subsidiary, Xanatos Marine Limited and has subscribed 7,400 equity shares of XSPL of face value of Rs 10 each amounting to Rs 0.74 lakhs comprising 74% stake in XSPL.
- 75** During the year, the Company has incorporated a company named as Athmar India Private Limited ("Athmar") on 07 February 2024 and has subscribed 5,000 equity shares of Athmar of face value of Rs 10 each amounting to Rs 0.50 lakhs comprising 50% stake in Athmar. As at 31 March 2024, Athmar is yet to commence its business operations.
- 76** During the previous 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 2024. 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 had filed an appeal against the order of NCLT in National Company Law Appellate Tribunal (NCLAT) on 28 March 2023. During the year, the decision of NCLT was upheld by NCLAT and Supreme Court. On 21 November 2023, the Company filed a reply in response to the liquidator's request to vacate the premises, seeking refund of the entire consideration paid and expenditure incurred if the premise is to be vacated, while the Company still aims to retain the ownership.
- Pending the final resolution and the refund of the payment, the Company continues to carry the total payments made towards the purchase of the liquidation estate/premise as a capital advance in its financial statements.
- 77** The Company had paid an advance of USD 800,000 to a supplier in China during the financial year 2017-18 for procurement of solar PV modules. This advance was carried at Rs 584.48 lakhs as at 31 March 2023. Due to non-receipt of the material from the supplier and since the supplier has filed for insolvency during the year, the Company has determined that the said advance is no longer recoverable and the entire amount of Rs 584.48 lakhs have been charged to consolidated statement of profit and loss in the current financial year ended 31 March 2024.
- 78** Eltech Engineers Madras Private Limited, a subsidiary company ("Eltech"), has negative networth of Rs 110.65 lakhs and accumulated losses of Rs 260.65 lakhs as at 31 March 2024. Additionally, its current liabilities (Rs 119.09 lakhs) exceeded its current assets (Rs 4.11 lakhs) by Rs 114.98 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.
- 79** In case of subsidiaries incorporated outside India i.e. 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

## Notes to the Consolidated Financial Statement

for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise stated)

to ensure conformity with the Group's accounting policy for depreciation / amortisation is currently not ascertainable.

**80** 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 2024.

### **81 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

#### **Som Nath Saini**

Partner

Membership No: 093079

#### **Venkatesh Uchil**

Managing Director

DIN: 01282671

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

**Marine Electricals (India) Limited**

#### **Vinay Uchil**

Chairman and Executive Director

DIN: 01276871

#### **U.M. Bhakthavalsalan**

Chief Financial Officer

#### **Deep Shah**

Company Secretary and Compliance Officer

Place : Mumbai,  
Date : 29 May 2024

Place : Mumbai,  
Date : 29 May 2024

Place : Mumbai,  
Date : 29 May 2024





CIN : L31907MH2007PL176443

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