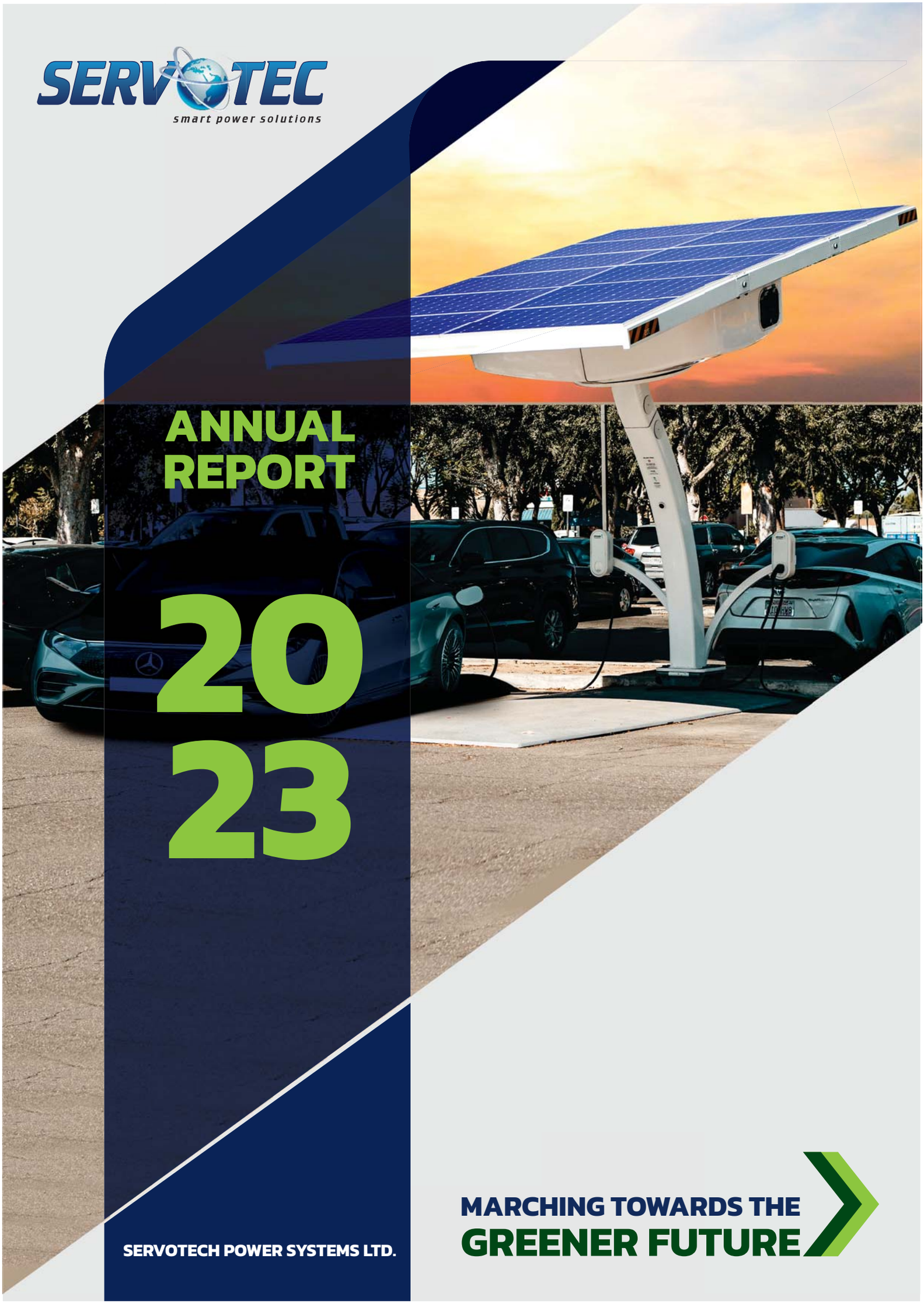
SERVOTEC
smart power solutions



ANNUAL REPORT 2023

SERVOTECH POWER SYSTEMS LTD.

MARCHING TOWARDS THE GREENER FUTURE

INSIDE THE REPORT

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Our Clientele

and counting..

Scope of Operations

We're on a mission to design sustainable tech solutions, fostering a greener world. Our commitment to innovation benefits investors and clients alike, driving us to create an eco-friendly future.

Our Vision

"Produce Green To Live Green"

Our Mission

- To design sustainable and tech-enabled solutions, achieving optimal utility and product performance.
- To bring substantial value and satisfaction to clients, investors, and customers with long- term growth in sight.

Core Values

Rooted in our company are six core values - Employee well-being drives our vibrant team, Innovation fuels progressive solutions, Profitability ensures collective growth, Commitment upholds ethics, Renewability prioritizes the planet, and Customer Service builds trust.

Our Timeline of Success

Our journey began in 2004, focusing on domestic sine-wave inverters. In expansion, we introduced solar solutions. By 2022, we proudly pioneered EV chargers, marking a trajectory of innovation and growth.

2023

Servotech expanded EV Charger business in Middle-East and Africa

2022

Forayed into the EV market and initiated the manufacturing of EV chargers.

2021

Launched Rebreath, offering medical-grade Oxygen Concentrators and its spare parts.

Made it to the Main Board (Capital Market Segment) of NSE

2020

Stepped into the UVC Disinfection segment dedicated to providing seamless sanitization.

2019

Pioneered the ServPort, a portable plug-n-play rooftop PV solar system.

2017

Went public, listing on the National Stock Exchange (NSE) under the symbol SERVOTECH

2014

Transitioned into the LED Solar lighting segment for wider application.

2010

Operationalized Solar Street lights and Solar-Hybrid Inverters for mass use

2009

Ventured into LED Lighting solutions for both industrial and domestic application

2005

Leveled up by launching Digital and Sine-Wave inverters for industrial application.

2004

Introduced leading-edge Sine-Wave inverters for domestic use

Chairman's Speech

Servotech's focus remains on shaping a more sustainable future and it is steadfastly advancing its global presence & actively contributing to a more environmentally conscious tomorrow by reinforcing the nation's journey towards a transformative era of electric mobility.

Raman Bhatia

Founder & MD, Servotech Power Systems Limited

Dear Members

Welcome to our 19th Annual General Meeting. I extend gratitude on behalf of Servotech's Board of Directors for your presence today. Your presence here is a testimony to your interest and support to the Company.

A gist about the company and its journey

Reflecting on our journey, Servotech commenced its path 18 years ago with a sole offering, "Sine-wave inverters." Since then, we have expanded into diverse domains such as EV Charging and Solar Solutions. Our unwavering belief in sustainable and green energy drives our progress.

We reinforce our growth through strategic collaborations and global reach, including our partnership with a UAE-based company. Further we have consistently upheld our dedication to shareholders by regularly declaring dividends. Additionally, we are delighted to share the news of the sanctioned Employee Stock Option Scheme (ESOP), designed to link the hard work of our devoted employees with the collective achievements we attain. Shares were issued preferentially to expand globally, aiming to maximize stakeholder value through enhanced resources and presence. We executed share splits, making shares more accessible to potential investors, thereby enriching our shareholders community.

Our efforts extend beyond merely promoting a shift to a low-carbon economy. We also lead in energy storage, grid optimization, and electric mobility. Our robust partnerships and substantial market share in EV charging, boasting over 2,700 deployed chargers nationwide, exemplify our influence.

Financial Overview

In the fiscal year 2022-23, the world witnessed turbulence, supply chain complexities, and inflation, demanding coordinated reactions by central banks to manage inflation. However, despite these hurdles, Servotech showcased strong and adaptable performance, persistently driving innovation and expanding its horizons.

Coming to the performance of the company, During the F.Y. 2022-23 company's consolidated revenue is 27,864.33 lakh compared to Rs. 14,425.25 lakh in last year, which is an increase of 93.1% and company earned a profit of Rs. 1106.51 lakh during the financial year 2022-23, as against Rs. 405.77 lakhs in last year, achieved an increase of 172.69% profit from last year. Notably, Servotech experienced impressive growth in EV charger sales, achieving encouraging sales figures during this period.

Future Strategic Initiatives

Our emphasis continues to be on a more environmental friendly future, expanding our global Presence, and strengthening India's electric revolution. Our goal is to reduce our reliance on fossil Fuels, contributing to a sustainable tomorrow. As we set out on a journey of boundless growth, we stand at the forefront of the sustainable energy transformation, catalysed by the emergence of electric vehicles and environmentally mindful power solutions.

In summary, Servotech's prospects for the future are incredibly bright. Backed by ground-breaking technologies, a strong drive for innovation, strategic partnerships, and a firm commitment to sustainability, the company is well-prepared to seize abundant opportunities for substantial growth.

Finally, I want to express my heartfelt thanks to our Board, Management, employees, partners, suppliers, and shareholders for their Unwavering trust. Together, we will deliver strong performance and reliable growth for Servotech.

Thanking you,
With Warm Regards,

Raman Bhatia
Managing Director

Board of Directors

Mr. Raman Bhatia
Managing Director

Ms. Sarika Bhatia
Whole-time Director

Mr. Rajesh Mohan Rai
Director & CHRO

Mr. Anupam Gupta
Independent Director

Board of Directors

Mr. Sampat Rai,
Independent Director

Mr. Meenakshisundaram Kolandaivel
Independent Director

Mr. Vikas Bhatia
Chief Financial Officer

Ms. Priya Pandey
Company Secretary & Compliance Officer

Auditors

Statutory Auditors
M/s. Rohit KC Jain and Co.,
Chartered Accountants

Secretarial Auditor
M/s. R&D Company Secretaries

Cost Auditors
M/s. N. N Sharma & Associates, Cost Accountants

Bankers
Punjab National Bank Limited
ICICI Bank Limited
HDFC Bank Limited

Registrar & Share Transfer Agent
Bigshare Services Private Limited

Registered Office:
806, 8th Floor, Crown Heights, Hotel Crowne Plaza, Sector 10, Rohini, New Delhi-110085

Plant and R&D :
Plot No.76 A, Sector-57, Kundli Industrial Area, Sonepat, Haryana - 131028

Plant 2 :
Killa No. 14//6/1/2(0-3), 6/2/3(5-13), Village - Safiabad Pana Paposhian, Tehsil - Rai, District - Sonepat-131029 (HR)

Website
www.servotech.in

Strategy for Growth

Crafting a robust strategy for growth is our imperative. By optimizing digital channels, we fuel profitability. Sustainability drives efficient expansion, while leveraging financial strengths propels progress. Market targeting and diversification build resilience, defining our path to sustainable succes

Product Categories

Solar

At Servotech, we use proven methods for solar panel installation that guarantee both quality and cost-effectiveness. We have dedicated 100 W to 10000 kW* Rooftop On-Grid, Off-Grid, and Hybrid Solar Solutions for all applications.

EV Charger

Servotech start manufacturing range of EV Chargers because charging is our core domain and we are doing same in inverters and UPS since 2004.in 1st phase we launched EV Chargers 3Kw to 360kW

Power & Backup

We understand the value of effective power supply in today's world. Servotech's home and industrial power backup solutions provide stable, continuous power, ensuring that you are always comfortable and connected.

LEDs

Servotech is more than a lighting company; we are dedicated to raising awareness about renewable energy and the worldwide green push. We offer high-end LED lighting for all purposes.

Medical-Grade Devices

Servotech offers UVC Lights medical grade oxygen concentrators to aid in all respiratory disorders. Additionally, Rebreathe, a Servotech subsidiary, provides the finest components and makings that go into developing such devices.

Servo Stabilizer

Servotech servo stabilizers are a cost-effective and viable electrical solution preventing electrical hazards. Sought out for their affordability and durability, our high-performance stabilizers maintain adequate voltage in appliances during irregular voltage flows.

Projects

EV CHARGER

BPCL NAYRA

SOLAR

UPNEDA

Making a Difference for the Good

Creating Green Corridor for Greener India with help of Oil Marketing Companies

Glimpses of BPCL Project

Glimpses of NAYARA Project

Scaling New Horizon

Servotech and **Al-Ansari Motors LLC, UAE** inks pact to provide EV Charging Stations in Middle Eastern and African market

Servotech with **NSEFI** to develop Solar-powered EV charging Carport

Major Announcements

EMOBILITY+

Powering Smart, Electric, Efficient Mobility

News

Servotech & JSG Enters Into A Formal Association To Achieve Big In The EV Space

By Sadhana Shenvekar • 28th February 2022

Radius Synergies Launches Electric Vehicle Charging Dock to Strengthen E-Mobility in India

In a strategic move to take a giant leap in the EV business and contribute significantly to the nation's progression towards the EV revolution, Servotech Power Systems, as a leading manufacturer of EV chargers, Solar products, LEDs, Oxygen Concentrators and UV-C disinfection devices, associates with JSG Group, a renowned entity engaged in the manufacturing of superior-grade automotive accessories and component.

Servotech & JSG Enters Into A Formal Association to Achieve Big In The EV Space

India's First Portable Solar Rooftop System Unveiled In Gandhinagar

REPUBLICWORLD.COM

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Last Updated: 19th April, 2022 17:04 IST

India's First Portable Solar Rooftop System Unveiled In Gandhinagar

The country's first portable solar rooftop system was inaugurated at Swaminarayan Akshardham temple complex in Gandhinagar on Monday.

Law & Order | Written By Press Trust Of India

Image: Servotech

The country's first portable solar rooftop system was inaugurated at Swaminarayan Akshardham temple complex in Gandhinagar on Monday.

The installation of 10 PV Port systems in the temple complex has been supported by the German development agency Deutsche Gesellschaft fur Internationale Zusammenarbeit (GIZ), a statement said.

The systems have been installed under the Union Ministry of New and Renewable Energy's initiative to develop renewable energy cities across India.

ManufacturingToday | SECTORS | PEOPLE | PRODUCTS & SUPPLIERS | EVENTS | EMAGAZINE

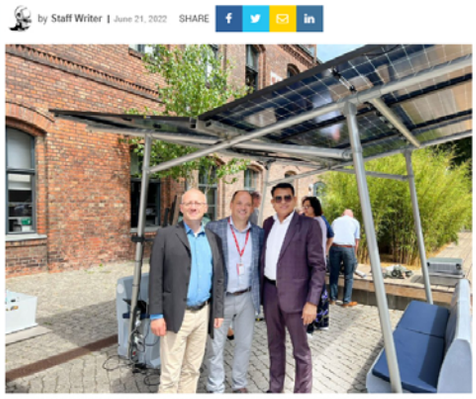
Home » Sectors » ServoTech, in association with GIZ, completes the testing of ComPort with the portable solar system PV Port

SECTORS

ServoTech, in association with GIZ, completes the testing of ComPort with the portable solar system PV Port in Berlin

Successfully Tests Solar System Performance Monitoring Device along with PV Port in EUREF Campus, Germany.

by Staff Writer | June 21, 2022 SHARE



(L-R) Berthold Broid, MD RENAC AG; Joerg Gaobler, Principal Advisor, GIZ; Raman Bhatia, MD, Servotech Power Systems at EUREF Campus, Berlin.

ServoTech, in association with GIZ, completes the testing of ComPort with the portable solar system PV Port in Berlin

Major Announcements

ET Energyworld.com
From The Economic Times

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Oil & Gas • Coal • Power • Renewable • Environment • Economy • Energy Leadership Summit • Compa
Energy News / Latest Energy News / Renewable

Servotech Power Systems bags 4.1 MW rooftop solar project from UPNEDA

In a statement on Monday, Servotech Power Systems said "it has bagged a large-scale, state-spanning grid-interactive rooftop solar power plant project from UPNEDA. The project involves building 4.1 MW of solar power plants across the state."

PTI • September 05, 2022, 14:47 IST

New Delhi: Servotech Power Systems has bagged a project from the Uttar Pradesh New & Renewable Energy Development Agency (UPNEDA) for building 4.1 MW of solar power plants across the state. UPNEDA is the nodal agency for the implementation of solar energy schemes in the state.

In a statement on Monday, Servotech Power Systems said "it has bagged a large-scale, state-spanning grid-interactive rooftop solar power plant project from UPNEDA. The project involves building 4.1 MW of solar power plants across the state."

Servotech Power Systems bags 4.1 MW rooftop solar project from UPNEDA

Business Standard
Wednesday, August 16, 2023 | 05:41 PM IST

BS Home | Latest | E-Paper | Market | Opinion | Politics | Companies | Multimedia

Servotech Power Systems bags Rs 46 cr order from BPCL to supply EV chargers

The project to supply and install 800 units of DC fast EV Chargers has already been initiated from Delhi and is expected to be completed by March 31, 2023, a company statement said.

The Project Will Span Across The Country, Equipping Petrol Pumps In Major Indian Cities With EV Charging Capabilities On Its Course.

Press Trust of India | New Delhi
2 min read Last Updated : Nov 04 2022 | 12:49 PM IST

Servotech Power Systems has bagged a Rs 46.2 crore order from Bharat Petroleum Corporation Ltd (BPCL) for supplying and installing a series of EV Chargers at different locations across the country in the next four months.

The project to supply and install 800 units of DC fast EV Chargers has already been initiated from Delhi and is expected to be completed by March 31, 2023, a company statement said.

Servotech Power Systems bags Rs 46 cr order from BPCL to supply EV chargers

ETNOW

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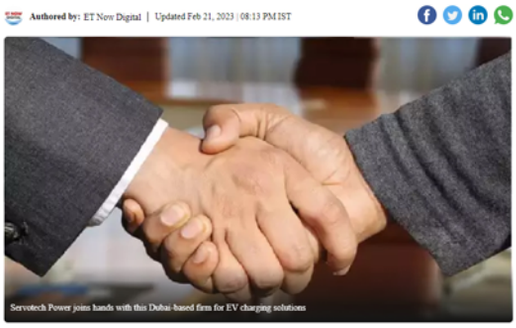
TRENDING: Amazing Indians 2023 | Ajit Pawar | Gadar 2 Box Office | Viral Video | Fact Check | Live TV | Live Score | Movies

Home > Business Economy > Companies

Servotech Power joins hands with this Dubai-based firm for EV charging solutions

Authored by: ET Now Digital | Updated Feb 21, 2023 | 08:13 PM IST



Servotech Power has announced that it has joined hands with Dubai-based Al-Ansari Motors to install EV charging solutions to the Middle Eastern and African markets.

"The two entities have signed a sole distributorship agreement, which will see Al Ansari Motors bring Servotech's EV charging capabilities to the potential electric vehicle adopting segment in these markets," SPSL said in a statement. Al Ansari Motors LLC is into motor vehicles and accessories trading, the statement said.

Servotech Power joins hands with this Dubai-based firm for EV charging solutions

Celebrating Moments of Distinction

Mrs. Sarika Bhatia in
Women in Mobility Event
by **Mobility Outlook**

Mr. Raman Bhatia in
E-Summit Event at
Aryabhatta College, University of Delhi

Celebrating Moments of Distinction

Mr. Raman Bhatia in
Electrathon at **Lloyd Institute of Engineering & Technology**

Mr. Raman Bhatia in
EV State Summit Delhi 2022 by **Emobility+**

Awards

Business Leadership Award in EV Chargers Manufacturing 2022

Emobility+ honored us with the 2022 Business Leadership Award for EV Chargers Manufacturing, highlighting our excellence in Delhi's EV state leadership and industry innovation

Best Exhibitor : India Solar & E-Vehicle Expo Lucknow 2023

Secured 1st prize as Best Exhibitor at India Solar & E-Vehicle Expo 2023, Lucknow. Recognized for outstanding presentation and innovation in solar and e-vehicle technologies

Charging Company of the Year Award Presented By BIS Infotech

Honored as 'Charging Company of the Year' by BIS Infotech 2022, reflecting our excellence in advancing charging technology and innovation, making a significant industry impact

Our Subsidiaries

Rebreathe Medical Devices India Private Limited

Rebreathe is a venture brought together by a common goal of making oxygen concentrator parts available, affordable, and accessible. The second wave of the Corona Virus pandemic in India served a precept like never before. The need for medical-grade and credible Oxygen Concentrators was glaringly evident.

Servotech, of whom Rebreathe is a sister concerns to, made the scene and played the role of a catalyst by partnering with eminent research institute such as IIT Jammu and IISER Bhopal for perfecting the technology and know-how that goes into manufacturing Oxygen Concentrator and, most importantly, making the device entirely indigenous and home-developed so as to succeed in its aim of providing quality oxygen concentrator devices at worthwhile prices to all.

Techbec Global Solutions Pvt. Ltd.

Techbec Global Solutions Private Ltd. is a leading electronics firm that specializes in the end-to-end production, procurement, and distribution of high-end, customer-focused multi-purpose batteries.

A subsidiary of Servotech that'll help the parent organization in catalyzing their goal of amplifying the reach of smart and clean-tech solutions across different geographies with granular focus of product excellence. Techbec caters to its clients with the highest level of integrity and commitment, and believes in not just serving but developing forever-lasting relationships. Techbec is steered with experience and propelled by excellence, with cutting-edge technology developments and game-changing innovations at its core, resulting in a resounding success.
As per agreement dated 28.07.2023 company shall be cease to be subsidiary.

Techbec Industries Limited

Company is into the business of manufacturing, assembling, producing, supplying, repairing, purchasing, importing, exporting, and dealing in all batteries, lithium batteries, cells, lead acid batteries, stationary batteries, starting batteries, storage batteries, traction batteries, alkaline batteries, dry batteries, button batteries, solar power batteries, mini batteries, emergency lights, dry cells and other batteries used in or required for industrial, transport, commercial and consumptive purpose, their components, parts, ingredients, substances, systems, consumable accessories or fittings and multi testers, electrical connectors and automobile parts including power packs, power supplies; generators, solar panels, chargers and sub-assemblies, components, parts and accessories thereof and import, export, re-licenses, periodic inspections of swapping/charging station of all kind of electric vehicles and batteries and to provide fleet services along with renting of all spare parts thereof inclusive of any equipment.

Our Subsidiaries

TECHBEC

Techbec Green Energy Private Limited

This subsidiary established on the 27th of July, 2023 and It is engaged in the operations of manufacturing, trading, distribution, indenting, and acting as selling and purchasing agents, our subsidiary specializes in essential components for Electric Vehicle (EV) Chargers. These components include Power Modules, CCS 2 Guns, Type 2 Guns, Connectors, Control Cards, and PLC Modules. Additionally, our subsidiary is involved in the supply and distribution of Lithium-ion Batteries, primary cells, primary batteries, rechargeable batteries, cells containing manganese oxide, mercuric oxide, silver oxide, or other relevant materials.

Our scope of offerings extends to a wide array of battery types, encompassing lithium batteries, cells, lead acid batteries, stationary batteries, starting batteries, storage batteries, and traction batteries. Furthermore, we provide solutions for alkaline batteries, dry batteries, button batteries, solar power batteries, mini batteries, emergency lights, dry cells, and other battery variants essential for industrial, transportation, commercial, and general consumption purposes.

Exhibitions - India and Abroad

EV Show
London

RE+ USA

Franchise India
Delhi

Exhibitions - India and Abroad

InterSolar The SmarterE Gandhinagar

Green Vehicle Expo Bengaluru

EV State Summit Delhi

Exhibitions - India and Abroad

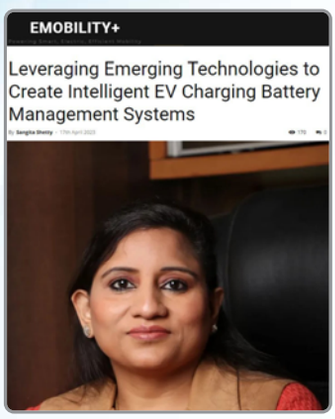
Auto Expo Motor Show Delhi

India Solar & EV Expo Lucknow

Convergence Smart City Expo - Delhi

Media Coverages

This year we received **1200+ media placements,** some of our top stories are listed below:


EMOBILITY+

Leveraging Emerging Technologies to Create Intelligent EV Charging Battery Management Systems

FREE PRESS JOURNAL

UP Dy. CM Brajesh Pathak Inaugurates Servotech Power Systems Stall at India Solar & EV Expo, Lucknow

Deputy Chief Minister of Uttar Pradesh commends Servotech Power for their efforts in promoting renewable energy and Green Energy Solutions at India Solar Expo

THE ECONOMIC TIMES | Industry

Servotech Power Systems bags 4.1 MW rooftop solar project from Uttar Pradesh New & Renewable Energy Development Agency

THE TIMES OF INDIA

Servotech Power, Dubai's Al-Ansari Motors ink pact to install EV charging solutions

PTI / Updated: Feb 20, 2023, 17:01 IST

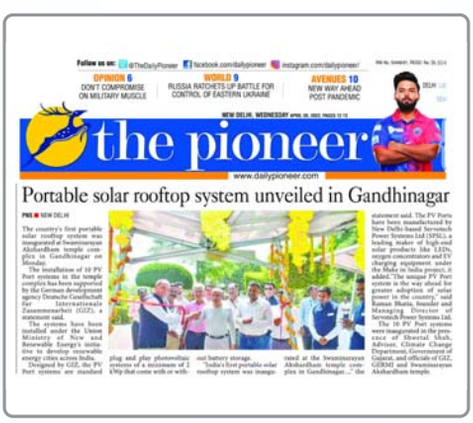
EQ INTERNATIONAL

1400 EV Charger Installed to Improve EV Infrastructure in India – EQ Mag

દિવ્ય ભાસ્કર

ભારતની પ્રથમ પોર્ટેબલ સોલાર રૂફટોપ સિસ્ટમ ગુજરાતમાં

અમદાવાદ| ભારતની પ્રથમ પોર્ટેબલ સોલાર રૂફટોપ સિસ્ટમની શરૂઆત કરવામાં આવીછે. વીજળીના પરંપરાગત સ્ત્રોતો પર દેશની નિર્ભરતા ઘટાડવા માટે સૌર ઊર્જા મહત્ત્વની ભૂમિકા ભજવે છે. અનોખી પીવી પોર્ટ સિસ્ટમ એ દેશમાં સૌર ઊર્જાને વધુ અપનાવવા માટે આગળનો માર્ગ છે. રિન્યુએબલ ટ્રાન્સફોર્મેશનમાં યોગદાન આપવા માટે આ તક માટે GIZ અને નવી અને નવીનીકરણીય ઊર્જા મંત્રાલયના આભારી છીએ. ગાંધીનગરના સ્વામિનારાયણ અક્ષરધામ મંદિર સંકુલમાં શરૂઆત થઈ હતી.


the pioneer

Portable solar rooftop system unveiled in Gandhinagar

MOBILITY

Servotech Power Systems Unveils EV Charging Solutions at 8th Smart Cities India Expo

150+ Print

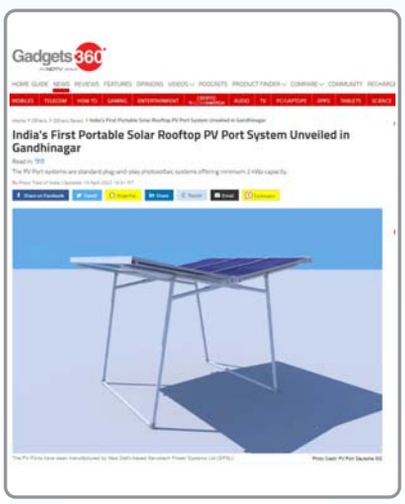
950+ Online Publication

50+ Interviews

Media Coverages

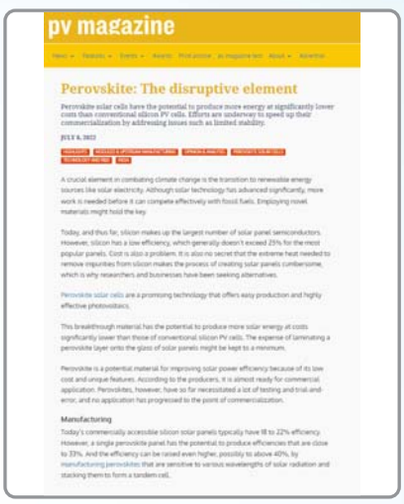
ENEWS

Servotech tests solar monitoring device along with PV Port in Germany – pv magazine India & More Breaking News Headlines Today



Gadgets360

India's First Portable Solar Rooftop PV Port System Unveiled in Gandhinagar



pv magazine

Perovskite: The disruptive element

ET Energyworld.com

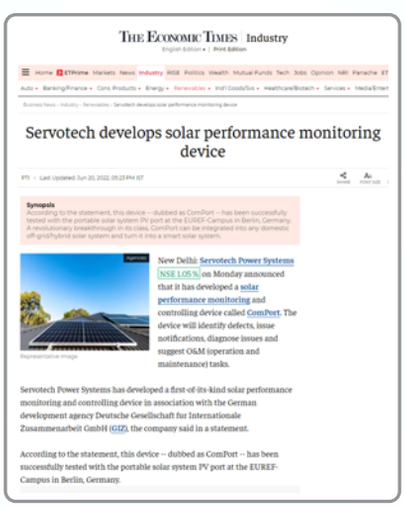
From The Economic Times

India's first portable solar rooftop system unveiled in Gandhinagar

Designed by GIZ, the PV Port systems are standard plug and play photovoltaic systems of a minimum of 2 kWp that come with or without battery storage.

PTI • April 19, 2022, 15:18 IST

New Delhi. The country's first portable solar rooftop system was inaugurated at Swaminarayan Akshardham temple complex in Gandhinagar on Monday. The installation of 10 PV Port systems in the temple complex has been supported by the German development agency Deutsche Gesellschaft fur Internationale Zusammenarbeit (GIZ), a statement said.



THE ECONOMIC TIMES | Industry

Servotech develops solar performance monitoring device

PTI • Last Updated: Jun 20, 2022, 05:23 PM IST

Synopsis

According to the statement, this device -- dubbed as ComPort -- has been successfully tested with the portable solar system PV port at the EUREF-Campus in Berlin, Germany. A revolutionary breakthrough in its class, ComPort can be integrated into any domestic off-grid/hybrid solar system and turn it into a smart solar system.

New Delhi: Servotech Power Systems (NSE:105 %) on Monday announced that it has developed a solar performance monitoring and controlling device called ComPort. The device will identify defects, issue notifications, diagnose issues and suggest O&M (operation and maintenance) tasks.

Servotech Power Systems has developed a first-of-its-kind solar performance monitoring and controlling device in association with the German development agency Deutsche Gesellschaft fur Internationale Zusammenarbeit GmbH (GIZ), the company said in a statement.

According to the statement, this device -- dubbed as ComPort -- has been successfully tested with the portable solar system PV port at the EUREF-Campus in Berlin, Germany.

THE HANS INDIA

Servotech profit 4-fold up in FY22

HANS BUSINESS
HYDERABAD

SERVOTECH Power Systems Ltd earned an annual revenue of Rs 144.25 crore as against Rs 87.90 crore in the same period last fiscal, registering an annual growth in revenues of around 64 per cent. Additionally, the company delivered a profit of Rs 5.59 crore during the 2021-2022 financial year, as against Rs 1.5 crore in the same period last fiscal, attaining a 386 per cent increase in YoY gains. The company has said detailing the financial results for the year ending March in a regulatory filing

The standout product from their diversified portfolio was the solar segment, which made up for close to 60 per cent of their total product revenue, followed medical devices and spares. Servotech also witnessed an impressive growth in their latest venture, EV chargers, drawing an encouraging value of 5.36 crore during this period.

The mass-scale adoption of solar power solutions has been proportionately reflected in our product revenues. "Going forward, extending our team of skilled personnel, elevating our innovation efforts, and optimising our go-to-market strategy, is all going to enable smarter lifestyle solutions for our customers, upscaling opportunities for our team, and creation of lucrative white spaces for our patrons. On that note, I look forward to another exciting year in prospect," he added.

22/05/2022 HYDERABAD Pg 15

SAUR ENERGY INTERNATIONAL

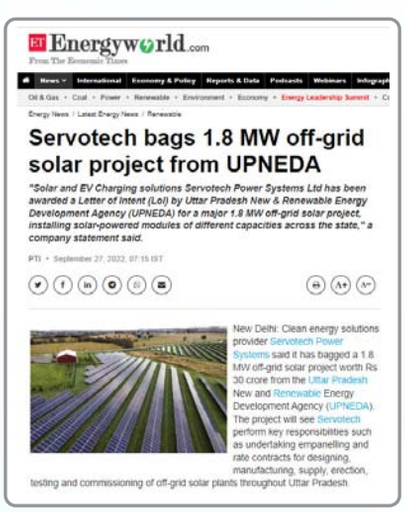
Servotech Power Systems Ltd. Announces Results for FY22, Revenue rises 64% from FY21

Highlights :

- *386% increase in profits, 41% growth in EBITDA, and an improved EPS of Rs. 2.15/share.*

Servotech Power Systems Ltd. (NSE: SERVOTECH), a prominent manufacturer of Solar, LED, medical-grade, and electric vehicle (EV) charging solutions, presented its annual financial results for the year ended March 31, 2022 at its Board of Directors meeting on May 20, 2022.

Servotech Power Systems Ltd. bagged an annual revenue of Rs. 14,425 lacs as against Rs 8,790 lacs in the same period last fiscal, registering an annualized growth in revenues of around 64%. Additionally, the company delivered a profit of Rs. 559 lacs during the 2021-2022 financial year, as against Rs 115 lacs in the same period last fiscal, attaining a 386% increase in YoY gains.



ET Energyworld.com

From The Economic Times

Servotech bags 1.8 MW off-grid solar project from UPNEDA

"Solar and EV Charging solutions Servotech Power Systems Ltd has been awarded a Letter of Intent (LoI) by Uttar Pradesh New & Renewable Energy Development Agency (UPNEDA) for a major 1.8 MW off-grid solar project, installing solar-powered modules of different capacities across the state," a company statement said.

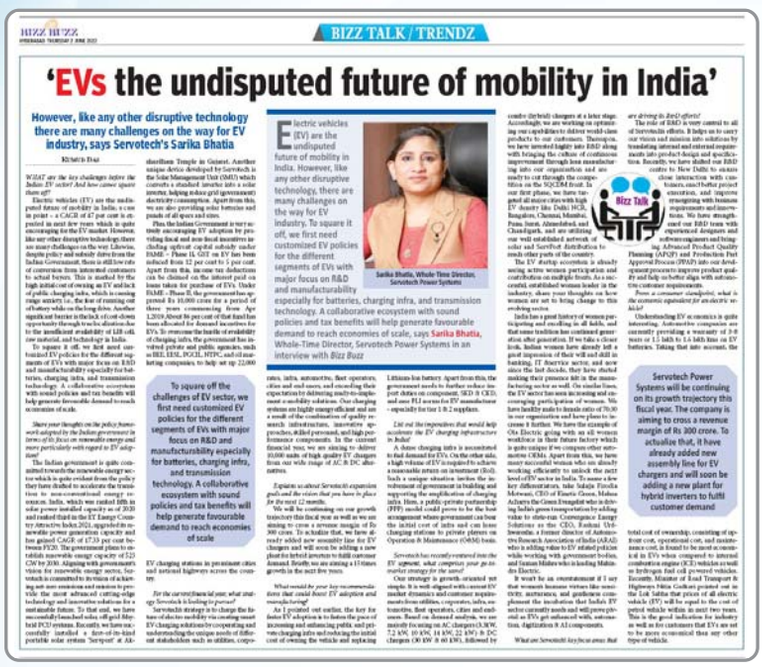
PTI • September 27, 2022, 07:15 IST

New Delhi: Clean energy solutions provider Servotech Power Systems said it has bagged a 1.8 MW off-grid solar project worth Rs 30 crore from the Uttar Pradesh New and Renewable Energy Development Agency (UPNEDA). The project will see Servotech perform key responsibilities such as undertaking empanelling and rate contracts for designing, manufacturing, supply, erection, testing and commissioning of off-grid solar plants throughout Uttar Pradesh.

timesev

The EV GST Slash: How the Tax-Cut will Boost India's EV Leap Forward

Media Coverages



HIZZ BUZZ

BIZZ TALK / TRENDZ

'EVs the undisputed future of mobility in India'

However, like any other disruptive technology there are many challenges on the way for EV industry, says Servotech's Sarika Bhatia

Electric vehicles (EV) are the undisputed future of mobility in India. However, like any other disruptive technology, there are many challenges on the way for EV industry. To square it off, we first need customized EV policies for the different segments of EVs with major focus on R&D and manufacturability especially for batteries, charging infra, and transmission technology. A collaborative ecosystem with sound policies and tax benefits will help generate favourable demand to reach economies of scale, says **Sarika Bhatia**, Whole-Time Director, Servotech Power Systems in an interview with *Biz Buzz*

Sarika Bhatia, Whole-Time Director, Servotech Power Systems

WHAT are the key challenges before the Indian EV sector? And how cannot signal them off?

Electric vehicles (EV) are the undisputed future of mobility in India, a can in point – a CAGR of 67 per cent is expected in next few years which is quite encouraging for the EV market. However, like any other disruptive technology there are many challenges on the way. Likewise, despite policy and subsidy drive from the Indian Government, there is still low rate of conversion from internal combustion to actual buyers. This is marked by the high initial cost of owning an EV and lack of public charging infra, which is causing range anxiety i.e., the fear of running out of battery while on the long drive. Another significant barrier is the lack of cost-down opportunity through tech-led disruption due to the insufficient availability of LIB cell raw material, and technology in India.

To square it off, we first need customized EV policies for the different segments of EVs with major focus on R&D and manufacturability especially for batteries, charging infra, and transmission technology. A collaborative ecosystem with sound policies and tax benefits will help generate favourable demand to reach economies of scale.

> To square off the challenges of EV sector, we first need customized EV policies for the different segments of EVs with major focus on R&D and manufacturability especially for batteries, charging infra, and transmission technology. A collaborative ecosystem with sound policies and tax benefits will help generate favourable demand to reach economies of scale

Share your thoughts on the policy framework adopted by the Indian government in terms of its focus on renewable energy and more particularly with regard to EV adoption?

The Indian government is quite committed towards the renewable energy sector which is quite evident from the policy they have drafted to accelerate the transition to non-conventional energy resources. India, which was ranked fifth in solar power installed capacity as of 2020 and ranked third in the EY Energy Country Attractive Index 2021, expanded its renewable power generation capacity and has gained CAGR of 17.33 per cent between FY20. The government plans to establish renewable energy capacity of 523 GW by 2030. Aligning with government's vision for renewable energy sector, Servotech is committed to its vision of achieving net-zero emissions and mission to provide the most advanced cutting-edge technology and innovative solutions for a sustainable future. To that end, we have successfully launched solar, off-grid Mini-Grid PCU systems. Recently, we have successfully installed a first-of-its-kind portable solar system 'Surya-on' at Akshardham Temple in Gujarat. Another unique device developed by Servotech is the Solar Management Unit (SMU) which converts a standard inverter into a solar inverter, helping reduce grid (government) electricity consumption. Apart from this, we are also providing solar lanterns and panels of all specs and sizes.

Plus, the Indian Government is very sensitive encouraging EV adoption by providing fiscal and non-fiscal incentives including upfront capital subsidy under FAME – Phase II, GST on EV has been reduced from 12 per cent to 5 per cent. Apart from this, income tax deductions can be claimed on the interest paid on loans taken for purchase of EVs. Under FAME – Phase II, the government has approved Rs 10,000 crore for a period of three years commencing from Apr 1,2019. About 86 per cent of that fund has been allocated for demand incentives for EVs. To overcome the hurdle of availability of charging infra, the government has involved private and public agencies, such as REC, IEEL, PGCIL, NTPC, and oil marketing companies, to help set up 22,000 EV charging stations in prominent cities and national highways across the country.

For the current financial year, what strategy Servotech is looking to pursue?

Servotech's strategy is to change the future of electric mobility via creating smart EV-charging solutions by cooperating and understanding the unique needs of different stakeholders such as utilities, corporates, India, automotive, fleet operators, cities and end users, and exceeding their expectation by delivering ready-to-implement e-mobility solutions. Our charging systems are highly energy-efficient and are a result of the combination of quality research infrastructure, innovative approaches, skilled personnel, and high performance components. In the current financial year, we are aiming to deliver 10,000 units of high quality EV chargers from our wide range of AC & DC alternatives.

Explain to us about Servotech's expansion goals and the vision that you have in place for the next 12 months.

We will be continuing on our growth trajectory this fiscal year as well as we are aiming to cross a revenue margin of Rs 300 crore. To actualize that, we have already added new assembly line for EV chargers and will soon be adding a new plant to hybrid inverters to fulfil customer demand. Briefly, we are aiming a 15 times growth in the next five years.

What would be your key recommendations that could boost EV adoption and manufacturing?

As I pointed out earlier, the key for faster EV adoption is to fasten the pace of increasing and enhancing public and private charging infra and reducing the initial cost of owning the vehicle and replacing Lithium-Ion battery. Apart from this, the government needs to further reduce import duties on component, SKD & CKD, and once PLI scheme for EV manufacturer – especially for tier 1 & 2 suppliers.

List out the impetuses that would help accelerate the EV charging infrastructure in India?

A dense charging infra is necessitated to fuel demand for EVs. On the other side, a high volume of EV is required to achieve a reasonable return on investment (RoI). Such a unique situation invokes the involvement of government in building and supporting the amplification of charging infra. Here, a public-private partnership (PPP) model could prove to be the best arrangement where government can bear the initial cost of infra and can lease charging stations to private players on Operation & Maintenance (O&M) basis.

Servotech has recently ventured into the EV segment, what comprises your go-to-market strategy for the same?

Our strategy is growth-oriented yet simple. It is well-aligned with current EV market dynamics and customer requirements from utilities, corporates, infra, authorities, fleet operators, cities and end-users. Based on demand analysis, we are mainly focusing on AC chargers (3.3KW, 7.2 kW, 10 kW, 14 kW, 22 kW) & DC chargers (30 kW & 60 kW), followed by combo (hybrid) chargers at a later stage. Accordingly, we are working on optimizing our capabilities to deliver world-class products to our customers. Thereupon, we have invested highly into R&D along with bringing the culture of continuous improvement through lean manufacturing into our organization and are ready to cut through the competition on the SQCDM front. In our first phase, we have targeted all major cities with high EV density like Delhi NCR, Bangalore, Chennai, Mumbai, Pune, Surat, Ahmedabad, and Chandigarh, and are utilizing our well established network of solar and Servtech distribution to reach other parts of the country.

The EV startup ecosystem is already seeing active women participation and contribution on multiple fronts. As a successful, established woman leader in the industry, share your thoughts on how women are set to bring change to this evolving sector.

India has a great history of women participating and excelling in all fields, and that same tradition has continued generation after generation. If we take a closer look, Indian women have already left a great impression of their skill and drill in banking, IT /service sector, and now since the last decade, they have started making their presence felt in the manufacturing sector as well. On similar lines, the EV sector has seen increasing and encouraging participation of women. We have healthy male to female ratio of 70:30 in our organization and have plans to increase it further. We have the example of Ola Electric going with an all women workforce in their future factory which is quite unique if we compare other automotive OEMs. Apart from this, we have many successful women who are already working efficiently to unlock the next level of EV sector in India. To name a few key differentiators, take Sulajja Firodia Motwani, CEO of Firodia Green, Mahua Acharya the Green Evangelist who is driving India's green transportation by adding value to state-run Convergence Energy Solutions as the CEO, Roshini Udhwaniwala, a former director of Automotive Research Association of India (ARAI) who is adding value to EV related policies while working with government bodies, and Suman Mishra who is leading Mahindra Electric.

It must be an encouragement if I say that women become virtues like sensitivity, motivation, and guidance complement the incubation that India's EV sector currently needs and will prove pivotal as EVs get enhanced with, automation, digitization & AI components.

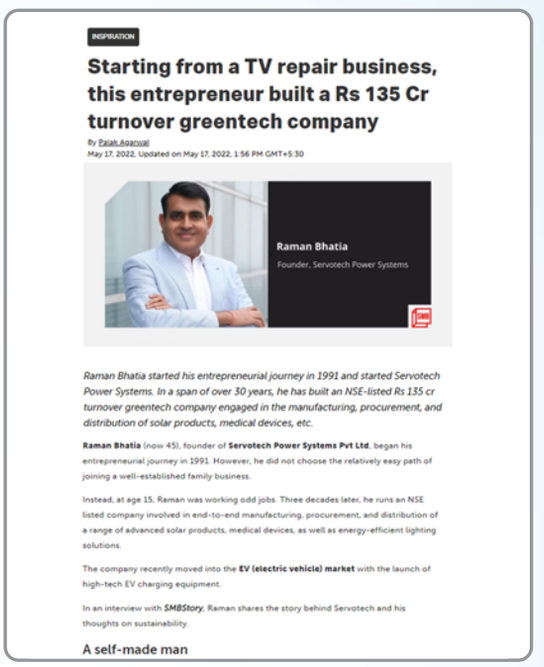
What are Servotech's key focus areas that are driving its R&D efforts?

The role of R&D is very central to all of Servotech's efforts. It helps us to carry our vision and mission into solutions by translating internal and external requirements into product designs and specifications. Recently, we have shifted our R&D centre to New Delhi to ensure close interaction with customers, enact better project execution, and improve managing with business requirements and innovations. We have strengthened our R&D team with experienced designers and software engineers and bringing Advanced Product Quality Planning (APQP) and Production Part Approval Process (PPAP) into our development processes improve product quality and help us better align with automotive customer requirements.

From a consumer standpoint, what is the economic equivalent for an electric vehicle?

Understanding EV economics is quite interesting. Automotive companies are currently providing a warranty of 3-8 years or 1.5 lakh to 1.6 lakh kms on EV batteries. Taking that into account, the total cost of ownership, consisting of upfront cost, operational cost, and maintenance cost, is found to be most economical in EVs when compared to internal combustion engine (ICE) vehicles as well as Hydrogen fuel cell powered vehicles. Recently, Minister of Road Transport & Highways Nitin Gadkari pointed out in the Lok Sabha that prices of all electric vehicle (EV) will be equal to the cost of petrol vehicle within in next two years. This is the good indication for industry as well as for customers that EVs are set to be more economical than any other type of vehicle.

> Servotech Power Systems will be continuing on its growth trajectory this fiscal year. The company is aiming to cross a revenue margin of Rs 300 crore. To actualize that, it have already added new assembly line for EV chargers and will soon be adding a new plant for hybrid inverters to fulfil customer demand



INSPIRATION

Starting from a TV repair business, this entrepreneur built a Rs 135 Cr turnover greentech company

By Pallak Agarwal
May 17, 2022, Updated on May 17, 2022, 1:56 PM GMT+5:30

Raman Bhatia started his entrepreneurial journey in 1991 and started Servotech Power Systems. In a span of over 30 years, he has built an NSE-listed Rs 135 cr turnover greentech company engaged in the manufacturing, procurement, and distribution of solar products, medical devices, etc.

Raman Bhatia (now 45), founder of **Servotech Power Systems Pvt Ltd**, began his entrepreneurial journey in 1991. However, he did not choose the relatively easy path of joining a well-established family business.

Instead, at age 15, Raman was working odd jobs. Three decades later, he runs an NSE listed company involved in end-to-end manufacturing, procurement, and distribution of a range of advanced solar products, medical devices, as well as energy-efficient lighting solutions.

The company recently moved into the **EV (electric vehicle) market** with the launch of high-tech EV charging equipment.

In an interview with ***SMBStory***, Raman shares the story behind Servotech and his thoughts on sustainability.

A self-made man

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BIGGEST YEAR END STORY

Major Tech Trends to Shape 2023

A few recent technologies that have increased EV adoption worldwide are quick charging within a few minutes and smart charging. In the year 2023, there will be numerous product launches in the Indian EV market, and with that it will be necessary to find numerous new answers to some of the persistent problems that this segment faces. Many EV manufacturers introduced low-cost technologies in 2022; the following years will see an increase in investment in these technologies. In my view these two trends are going to stand out among all

Smart Charging

Smart chargers can connect with the vehicle and the grid, in contrast to conventional charges, to offer better costs for energy consumption. It also encourages more efficient energy use. Because drivers don't always require a full battery, several electric vehicles have been developed to take a lengthy time to fully charge. Depending on the energy requirements of the vehicles, charges can be planned to go up to only 80% once a week, extending the battery's lifespan. People can choose to charge a battery with renewable energy, reduce CO2 emissions, and lower energy prices with the help of smart charging solutions.

Charging Infrastructure

A better, more comprehensive charging infrastructure will also be necessary as there are more EVs on the road to enable ease of charging . The number of public charging stations needs to be increased so that people can quickly become used to the practice of charging their vehicles. It is necessary to prepare the common charging infrastructure in public areas to handle this traffic. Adopting contemporary technologies can encourage more people to buy electric vehicles. Most electric vehicle charging stations nowadays can accommodate fast and ultra-fast chargers, which are widely accessible on the market. By coordinating the payment methods used in charging stations, it also enhances the experience of charging away from home.

Raman Bhatia
Founder & Managing Director, Servotech Power Systems Ltd.

> A better, more comprehensive charging infrastructure will also be necessary as there are more EVs on the road to enable ease of charging.

CXO OUTLOOK
INSIGHTS, IDEAS, INSPIRATIONS

HOME NEWS MAGAZINE CXOs IN FOCUS LEADERS' INSIGHTS EXPERTS' OPINION COVER STORY INVESTORS' INSIGHTS COMPANY

How EV Charge Point Operator (CPO) Model is set to Augment India's E-Mobility Footprint

August 26, 2022
Raman Bhatia, Founder & Managing Director, Servotech Power Systems Limited

Attaining close to 20 years of entrepreneurial experience, he founded the now-NSE-listed Servotech Power Systems Ltd. in 2004 and is currently leading the organisation's collective efforts in the capacity of Managing Director. Servotech enables him to actualize his vision of making smart yet sustainable products accessible and affordable for common people. As a thought leader, Raman Bhatia feels responsible to engage stakeholders in adhering and switching to clean and renewable energy sources, to bring solar, EV-charging, and other climate-positive solutions closer to the public.

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Let's talk

Servotech Bags Rooftop Solar Projects worth Rs 23.5 Cr from UPNEDA

NSE-listed Servotech Power Systems has secured large-scale grid-interactive rooftop solar projects with an aggregate value of about Rs 23.50 crore from the state nodal agency Uttar Pradesh New & Renewable Energy Development Agency (UPNEDA)

September 05 2022 By Manu Tejal

NSE-listed Servotech Power Systems has secured large-scale grid-interactive rooftop solar projects with an aggregate value of about Rs 23.50 crore from the state nodal agency (Uttar Pradesh New & Renewable Energy Development Agency (UPNEDA).

Under the contract, the company would develop 4.1 MW capacity of solar power plants at the buildings of Secondary Schools across the state, and these projects would be completed within 4 months timeframe from the date of awarding the project.

The company in a statement said that the main grounds for securing the projects include strong technical capabilities, competitive price, and the size & strength to complete this project on schedule.

Media Coverages

अमर उजाला

नए आयाम गढ़ती नई तकनीक

सोलर एनर्जी व ई-व्हीकल एक्सपो शुरू, उपमुख्यमंत्री व परिवहन मंत्री ने किया उद्घाटन

नई दिल्ली रिपोर्टर

लखनऊ। भविष्य में सौर ऊर्जा के महत्व, सोलर आधारित नई तकनीक, निर्माण कंपनियों के प्रयास और देश के उद्योगधंधों का नेट ज़ीरो का लक्ष्य... इन सबको ध्यान में रखकर, देशभर से ही नीमकीनाम निकाय इंडियन इंडस्ट्रीज एसोसिएशन ने नई एक्सपो में जगह ली। सौर ऐसोसीय सोलर एनर्जी और ई-व्हीकल एक्सपो की शुरुआत मुख्यमंत्रियों ने हुई। सौर ऊर्जा एक्सपो का उद्घाटन उपमुख्यमंत्री ब्रजेश पाठक ने किया और ई-व्हीकल एक्सपो की शुरुआत परिवहन मंत्री दयाशंकर सिंह ने की। एक्सपो में अधिक से लोगों सोलर पैनल तक की मशीनें हुई तकनीक देखने को मिलीं।

युवा उद्यमी आसान बना रहे राह

अब अधिक के लिए नहीं खोजना होगा गड्ढा

FINANCIAL EXPRESS

Read to Lead

Servotech Power Systems bags Rs 46 crore order from BPCL

The project to supply and install 800 units of DC fast EV Chargers has already been initiated from Delhi and is expected to be completed by March 31, 2023, a company statement said.

Written by [ET]

Updated: November 4, 2022 13:33 pm

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As part of this project, Servotech will take care of installation, commissioning, and maintenance of DC fast chargers at a range of locations involving BPCL's retail sites.

Servotech Power Systems has bagged a Rs 46.2 crore order from Bharat Petroleum Corporation Ltd (BPCL) for supplying and installing a series of EV Chargers at different locations across the country in the next four months. The project to supply and install 800 units of DC fast EV Chargers has already been initiated from Delhi and is expected to be completed by March 31, 2023, a

राष्ट्रीय सहारा

डिप्टी सीएम ने किया सर्वोटेक पावर सिस्टम्स स्टॉल का उद्घाटन

लखनऊ (एसएनबी)। लीडिंग ईवी चार्जर और सोलर सोल्यूशन्स निर्माता सर्वोटेक पावर सिस्टम्स लिमिटेड इंडिया इंडस्ट्रीज एसोसिएशन द्वारा आयोजित इंडिया सोलर एंड ईवी एक्सपो में अपने अत्याधुनिक ईवी चार्जर्स और सौर उत्पादों का प्रदर्शन कर रहे हैं। इस एक्सपो में सर्वोटेक के स्टॉल का उद्घाटन प्रदेश के उप मुख्यमंत्री ब्रजेश पाठक ने किया। उन्होंने सोलर और ईवी चार्जिंग सॉल्यूशंस के लिए अपनी उत्पाद लाइन का विस्तार करने में सर्वोटेक पावर द्वारा किए गए प्रयासों की सराहना की। वहीं परिवहन मंत्री दयाशंकर सिंह भी उद्घाटन के समय उपस्थित रहे। सर्वोटेक के संस्थापक और एमडी, रमन भाटिया ने उद्घाटन समारोह के दौरान कहा कि इंडिया इंडस्ट्रीज एसोसिएशन का धन्यवाद करता हूं कि हमारे लिए इंडिया सोलर ईवी एक्सपो जैसा प्लेटफार्म दिया। गौरतलब है कि यह एक्सपो इंडिया इंडस्ट्रीज एसोसिएशन ग्राउंड में आयोजित की जा रही है जो 4 मार्च तक चलेगी।

नई दिल्ली 03-03-2023

दैनिक भास्कर

मंगनाज, फालंट इरयाद सहत 15 पावक तत्वा का एक प्राकृतक स्त्रात ह।

यूपी डिप्टी सीएम ब्रजेश पाठक ने इंडिया सोलर एंड ईवी एक्सपो में सर्वोटेक पावर सिस्टम्स के स्टॉल का किया उद्घाटन

लखनऊ। लीडिंग ईवी चार्जर और सोलर सोल्यूशन्स निर्माता सर्वोटेक पावर सिस्टम्स लिमिटेड इंडिया इंडस्ट्रीज एसोसिएशन द्वारा आयोजित इंडिया सोलर एंड ईवी एक्सपो में अपने अत्याधुनिक ईवी चार्जर्स और सौर उत्पादों का प्रदर्शन कर रहे हैं। इस एक्सपो में सर्वोटेक के स्टॉल का उद्घाटन उत्तर प्रदेश के उप मुख्यमंत्री ब्रजेश पाठक द्वारा किया गया। उन्होंने सोलर और ईवी चार्जिंग सॉल्यूशंस के लिए अपनी उत्पाद लाइन का विस्तार करने में सर्वोटेक पावर द्वारा किए गए प्रयासों की सराहना की। वहीं परिवहन मंत्री दयाशंकर सिंह भी उद्घाटन के समय उपस्थित रहे।सर्वोटेक के संस्थापक और एमडी, रमन भाटिया ने उद्घाटन समारोह के दौरान कहा कि "मैं इंडिया इंडस्ट्रीज एसोसिएशन का धन्यवाद करता हूं कि हमारे लिए इंडिया सोलर ईवी एक्सपो जैसा प्लेटफार्म दिया। एक कंपनी के रूप में, हम राष्ट्रीय और अंतर्राष्ट्रीय नवीकरणीय ऊर्जा स्थान में एक अग्रणी कंपनी के रूप में सर्वोटेक की स्थापना के लिए प्रतिबद्ध हैं। हमारा उद्देश्य हरित ऊर्जा को लोगों के दैनिक जीवन में एकीकृत करना है और एक क्लीनर, प्रदूषण मुक्त भविष्य बनाना है।

NBT नवभारत टाइम्स

आईआईए भवन में तीन दिवसीय एक्सपो का आगाज

एक्सपो में दिखा ईवी का आकर्षण

डिप्टी सीएम ब्रजेश पाठक और परिवहन मंत्री दयाशंकर सिंह ने उद्घाटन करने के साथ ही आयोजन की सराहना की।

Business Standard

Servotech sets up Techbec Industries to make batteries, allied activities

Servotech Power Systems said it has incorporated a subsidiary, Techbec Industries Ltd, for manufacturing batteries, particularly lithium-ion batteries, and other allied activities

ALSO READ

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Have made India's first indigenously made lithium ion cell, says Ola

Exploration, imports, private firms: India's search for lithium spreads out

Maruti to invest Rs 18k cr in Sonipat plant to roll out 1 million units/year

Servotech Power Systems on Friday said it has incorporated a subsidiary, Techbec Industries Ltd, for manufacturing batteries, particularly lithium-ion batteries, and other allied activities.

Servotech Power Systems will be the holding company of Techbec Industries Ltd (TIL) and would hold 63.5 per cent share capital in the newly established battery manufacturing entity, the company said in a regulatory filing.

The new subsidiary has been incorporated with the authorised capital of Rs 10 Lakh, the filing added.

Forging a Digital Legacy

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Forging a Digital Legacy

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Which EV Charger to Buy - AC or DC EV Charger? Best Electric Vehicle Charging Stations in India 2023

16K Views

Servotech's EV Chargers Manufacturing Plant in Sonipat, Haryana | EV Charger Manufacturer in India

13K Views

Power Up Your EV with Our 60/120 kW DC Chargers : Servotech #evchargers

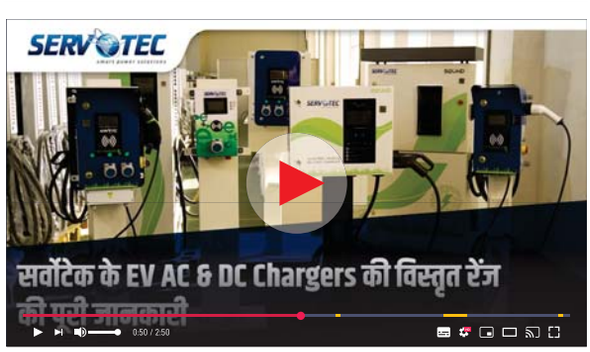
10K Views

Incredible Journey of a Self-Made Entrepreneur - Raman Bhatia

10K Views

How to Charge EV Car | 30KW DC Charger: A Step-by-Step Guide

11K Views



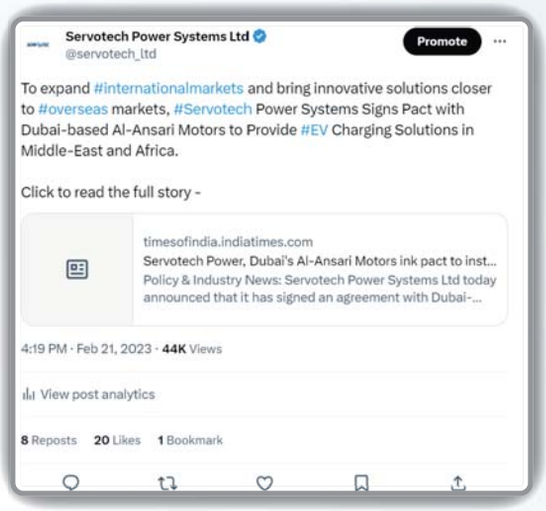
Servotech's #EV Chargers Range | Charging the Future of Sustainable Transport

10K Views

Forging a Digital Legacy

Most engaged Posts on Social Media

Post Type : **Product Image Post**
Impressions : **62,880**
Platform : **Twitter**



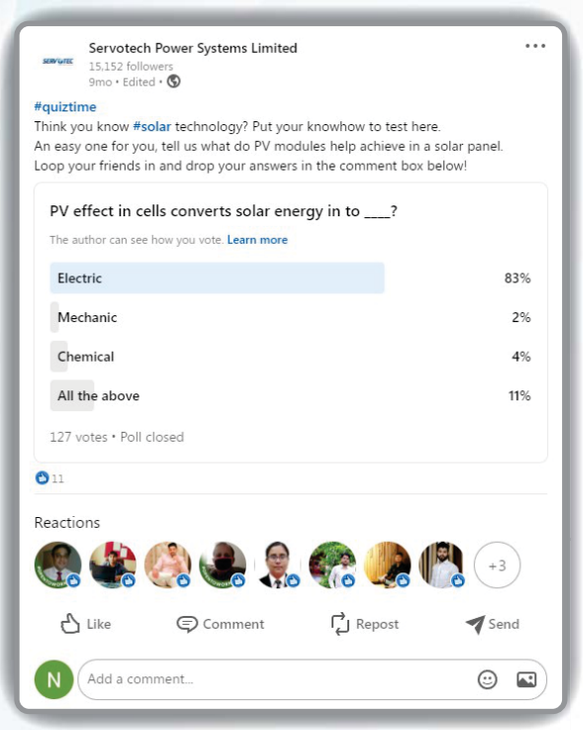
Post Type : **News Story**
Impressions : **44,000**
Platform : **Twitter**

Post Type : **Exhibition Invite**
Impressions : **1,04,443**
Platform : **Facebook**

Post Type : **Published Article**
Impressions : **2500**
Platform : **Facebook**

Forging a Digital Legacy

Most engaged Posts on Social Media



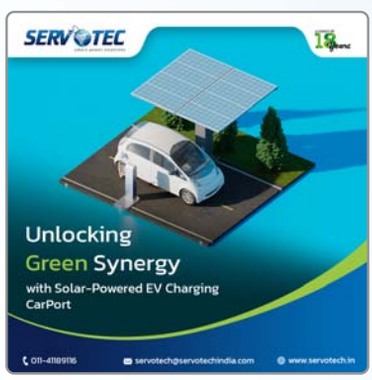
Post Type : **Poll**
Impressions : **4,712**
Platform : **LinkedIn**

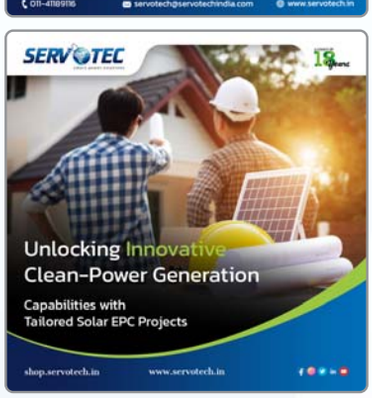
Post Type : **Exhibition Glimpse**
Impressions : **2,930**
Platform : **LinkedIn**

Forging a Digital Legacy

Posts on Social Media

Events | Brand-Building | Innovative





Moments of Celebrations:

A glance into our vibrant celebrations and unforgettable events

SWAG SATURDAY

CELEBRATING HOLI

FOUNDATION DAY

INDEPENDENCE DAY

MILESTONE CELEBRATION

YOGA DAY

Shaping up a Greener India

Servotech's solutions have always set upon inspiring green-ovation in the tech devices space.

Epitomize

As we commemorate 18 years of manufacturing excellence, it's time for everyone to take stock of our accomplishments and lay out a clear course for the future. As one of India's trusted manufacturers of PV modules, complete EPC solutions, and rooftop solar suppliers with a rising footprint, we have gained prominence.

Optimize

Further, with the Government of India's massive push to improve local manufacturing capabilities is encouraging for the solar business as well, and we anticipate a big improvement in the ecosystem for solar power. It is essential for putting the Indian economy on a path of sustainable growth and reducing its reliance on imported fossil fuel for its energy requirements.

Systematize

As part of our mission to bring about a green revolution in India, we have made strategic investments, partnered with strategic companies, forayed into new markets, obtained regulatory permissions, increased production capacity, deepened our knowledge, and generated value for our stakeholders.

CORPORATE SUSTAINABILITY

At Servotech, we are fully committed to performance excellence across all spheres of its business activities and more importantly giving back to the societies in which we operate. Largely all our products are manufactured that are based on solar energy. The focus the areas for reporting current year's performance include our business performance, environmental performance, customer and employee satisfaction and community service and our engagement in EV Business and Development is being the step towards the Sustainable environment.

Servotech has been investing in sustainable mobility for safety, emission reduction and environmentally-sustainable materials as a priority, going far beyond compliance. Company has been practicing the sustainability for many years and is committed to achieve highest standard of corporate behaviour. As a representative of responsible business, we have readily embraced our obligation to integrate Environmental, Social and Governance (ESG) factors.

Being sustainable is all about maintaining a perfect equilibrium between Environment, Economy and the Society. We attain this through an integrated, phased programme that creates long-term stakeholder value by generating Economic, Environmental and Social value. We have always strived to build a successful and sustainable business enterprising the highest ethical standards in our workplace and our communities. As we evolve and expand our operations, the responsibilities towards the people and the planet grow manifold. We have been driving our sustainability and development agenda in a way that it not just meets the current needs of our society but also enables future generations to meet their own needs.

OUR SUSTAINABILITY MODEL

A. ENVIRONMENT

1. Product Stewardship

In the course of the life cycle of the product, we assure high quality, product security, resilience, reparability, and accessibility. We additionally ensure liable resource use, a low carbon footprint, and a low carbon intensity for our products during both production and use.

As a step toward sustainable development, the company entered

the solar power business with the expectation of a long-term business opportunity. Solar energy is a resource that is friendly to the environment because solar panels can capture solar energy and convert it to electricity. In order to fulfill its goal of creating eco-friendly products, the company has also entered the electric vehicle market.

2. Preserving Environment

Servotech contributes to society by providing the best Green Energy and Renewable Products which helps in reducing Global Warming. We constantly adopt environment friendly practices and manufacture products that can help and contribute to combat the climate change by reducing carbon emissions.

3. Water and air quality

We place a high priority on using water wisely because it is a valuable resource for our society. Our top priority is to keep the air clean inside and around our buildings.

B. SOCIAL

1. Employee Wellbeing, Health and Safety

At Servotech, we prioritize employee engagement, learning and development, diversity and inclusion, fair treatment, leadership

and succession planning, etc. in addition to ensuring employee safety by upholding workplace safety standards, offering a satisfying work environment, encouraging career advancement, and encouraging employee safety and security to strengthen our Human Capital.

There are some employee benefits designed by the Company which are mentioned below:

- Work from Home refers to using one's home as a base for work instead of coming to a workplace/office, to make a better work life balance and flexible working arrangement.
- Employee Stock Option Plan is a benefit scheme that Company offer employees in order to retain the top talent within the firm.
- Company provides the Worker's rashan distribution every month.
- Conduct Employee training program i.e. Soft skill training, Service Training, Sales training etc.

2. Human rights and CSR

We constantly strive towards contributing to the upliftment of the society and upholding human rights.

C. GOVERNANCE

1. Governance and ethical business conduct

At Servotech, we are still working toward a strategy of responsible expansion, and we have taken action to ethically and successfully manage new risks and challenges. We work hard to strike a balance between advancing our financial interests and upholding our moral responsibility.

2. Brand integrity and salience

How consumers and markets perceive our Company and its products, image, and reputation including degree of recall of our brand across different product lines.

3. Customer and other stakeholders' delight

Our Stakeholders form the core of our value creation. We believe in creating value and equitable wealth for our stakeholders through our business processes.

In order to maximize the wealth and to make shareholders part in the growth of the Company, the Company has been regular in declaring dividend to the shareholders of the Company. Also, the Company considering the rise in profit, is proposed to recommend the final dividend in the ensuing Annual General Meeting of the Company.

4. Distribution network and channels

We are continuously diversifying distribution channels to reach all our customers and consumers.

DIRECTOR'S REPORT

Dear Members,

Your Directors are pleased to present to you the 19th Annual Report on the business and operations of the Company along with the Audited Financial Statements (Standalone and Consolidated) for the Financial Year ended 31st March, 2023 ("FY").

1. FINANCIAL PERFORMANCE

Highlights of the Company's financial performance for the year ended 31st March, 2023 are as under:

a) Standalone Financial Results

(Amount in Lakhs)

Particulars	Financial Year ended 31st March, 2023	Financial Year ended 31st March, 2022
Revenue from Operations	**24915.20**	13,369.97
Other Income	**40.81**	56.45
Total Income	**24,956.00**	**13,426.42**
Less: Depreciation	**(208.56)**	(156.88)
Other Financial Expenses	**(23,371.6)**	(12,758.20)
Profit before exceptional items and tax	**1,375.84**	511.35
Exceptional Items	**-**	5.06
Profit before tax	**1,375.84**	506.30
Tax Expenses	**318.67**	139.93
Profit after tax for the year	**1057.17**	366.37
Other Comprehensive Income	**2.35**	0.75
Net Profit for the year	**1059.53**	**367.12**
Transfer to General Reserve	**-**	-
Interim Dividend	**0.20**	0.20
EPS (Basic)	**1.00**	1.97
EPS (Diluted)	**1.07**	2.00

Note: The face value of the Company calculated considering the sub-division held on 3rd February, 2023.

b) Consolidated Financial Results

Particulars	Financial Year ended 31st March, 2023	Financial Year ended 31st March, 2022
Revenue from Operations	27848.09	14,367.41
Profit after tax	1,106.51	405.77

c) Overview of Company Performance

In the midst of trade flow disruptions and economic instability, there was ongoing volatility in the global markets. Despite challenges, your company has continued to grow steadily and produce positive financial results.

Inflationary pressures caused consumer demand to decline, especially in rural markets, and increased consumer preference for goods at lower price points.

By focusing on the strategic pillars of cost-efficiency initiatives, innovation, brand development, and distribution in order to maintain growth and profitability, your company is navigating these unprecedented challenges. To counteract the effects of rising commodity prices, prudent price increases were also put into practice.

2. SHARE CAPITAL

a) Authorised Share Capital:

At the beginning of the financial year, the Authorized Share Capital of the Company was Rs. 220000000 (Rupees Twenty Two Crores) divided into 2,20,00,000 (Two Crores Twenty Lakh) equity shares of face value of Rs. 10/- (Rupees Ten Only) each.

Thereafter in order to ensure smooth flexibility for Shareholders, the Company did sub-divide the equity shares of the Company such that equity shares of face value of Rs. 10/- were sub-divided into 5 (five) equity shares having face value Rs. 2/- each fully paid-up ranking pari-passu with each other in all respects with effect from 3rd February, 2023.

As on 31st March, 2023, the Authorized share capital of the Company post stock split stood at Rs. 22,00,00,000/-(Rupees Twenty Two Crores only) divided into 11,0000000 (Eleven Crores) equity shares of face value of Rs. 2/- (Rupees Two Only) each.

b) Paid-up Share Capital:

At the beginning of the financial year, the paid-up equity share capital of the Company was Rs. 18,66,54,290 (Rupees Eighteen Crore Sixty Six Lakhs Fifty Four Thousand Two Hundred Ninety only) divided into 1,86,65,429 (One Crore Eighty Six Lakhs Sixty Five Thousand Four Hundred and Twenty Nine) equity shares of Rs. 10/- (Rupees Ten only) each.

The Company vide Extra-ordinary General Meeting held on 1st October, 2023 had issue, and allotted 2600000 equity shares of Rs. 10/- each on preferential basis to other than promoter and promoter group. Accordingly, the paid up capital was changed from Rs. 18,66,54,290 (Rupees Eighteen Crore Sixty Six Lakhs Fifty Four Thousand Two Hundred Ninety) divided into 1,86,65,429 (One Crore Eighty Six Lakhs Sixty Five Thousand Four Hundred and Twenty Nine) equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 21,26,54,290 (Rupees Twenty One Crore Twenty Six Lakh Fifty Four Thousand Two Hundred Ninety) divided into 21265429 (Two Crore Twelve Lakhs Sixty Five Thousand Four Hundred Twenty Nine) equity shares of Rs. 10/- (Rupees Ten only) each.

Thereafter, with effect from 3rd February, 2023, the shares of the Company were sub-divided such that equity shares of face value of Rs. 10/- were sub-divided into 5 (five) equity shares having face value Rs. 2/- each fully paid-up ranking pari-passu with each other in all respects with effects, resulting in change in the paid-up equity share capital from Rs. 21,26,54,290 (Rupees Twenty One Crore Twenty Six Lakh Fifty Four Thousand Two Hundred Ninety) to 106327145 (Ten Crore Sixty Three Lakh Twenty Seven Thousand One Hundred Forty Five) equity shares, each of Rs. 2/- (Rupees Two only) each.

3. DETAILS OF PREFERENTIAL ISSUE

During the financial ended 31st March, 2023, the Company vide its Extra-Ordinary General Meeting dated 1st October, 2022 had issued and allotted 2600000 equity shares on preferential basis to other than Promoters and Promoter Group in accordance with Sections 23(1)(b), 42 and 62(1)(c) of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and read with the SEBI (ICDR) Regulations and the SEBI (LODR) Regulations, 2015.

The aforesaid equity shares are duly listed and traded on National Stock Exchange India Limited vide Listing and trading Approval dated 28th November, 2022.

4. DETAILS OF EMPLOYEES STOCK OPTION PLAN

The Company had initially obtained the shareholders' approval for implementation of Employee Stock Option Plan ("ESOP 2022") vide Extra-ordinary General Meeting held on 4th March, 2022. Thereafter, with a view of engagement and formation of Subsidiaries of the Company, the management has recommended the ESOP Plan for the employees of subsidiary Company as well.

Therefore, the Company decided to amend its ESOP scheme and obtained fresh/amended approval from the shareholders' in compliance with SEBI (Share Based Employees Benefits) Regulations, 2021 vide Postal Ballot dated 13th January, 2023.

Consequently, the Company had filed the application for in-principle approval from National Stock Exchange ("NSE") for listing up to a maximum 5,00,000 equity shares of Rs. 2/- each. The NSE had granted the in-principle approval vide its letter dated 18th May, 2023.

Currently, the Company had granted the ESOP options to its eligible employees and is in the process of implementing the said ESOP scheme by following the applicable provisions of the Companies Act, 2013 and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

5. DIVIDEND

During the year under review, the Board of Directors of the Company had, declared an interim dividend of Re. 0.20 per equity share of the face value of Re. 10/- each vide its Board Meeting dated The interim dividend was paid to the shareholders on 20th February, 2023.

Further, the Board of Directors have proposed to recommend Final dividend of 0.2 paise per Equity Share of Face Value of 1 /- (Rupees One Only)] for the Financial Year ended 31st March, 2023 subject to the approval of members at the ensuing Annual General Meeting upon deduction of TDS.

In view of the changes made under the Income-Tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the shareholders. The Company had, accordingly, made the payment of the interim dividend after deduction of tax at source, at the rates as prescribed and the final dividend shall also be dealt accordingly.

Further, pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required

to be transferred by the Company to the IEPF established by the Government of India, after completion of seven years.

Further, according to the IEPF 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 the IEPF Authority. However, the Company had declared Dividend for the first time in the Financial Year 2021-2022 and seven years have not elapsed from the date of declaration and payment of dividend the requirement of transfer of unpaid dividend and the shares on which dividend has not been paid or claimed, to Investor Education and Protection Fund (IEPF) is not applicable to the Company.

Note:- The change in face value of equity shares of the Company is due to the stock split conducted by the Company i.e. face value of Rs. 10/- each sub-divided into face value of Rs. 2/- each with effect from 3rd February, 2023 and the stock split No. 2 held with effect from 28th July, 2023 which resulted in change of face value from Rs. 2/- each sub-divided into Rs. 1/- each.

6. DETAILS OF SUB-DIVISION OR STOCK SPLIT OF SHARES OF THE COMPANY

During the financial year under review, the board of Directors of the Company vide its Meeting dated 7th December, 2022 upon approval of the shareholders of the Company vide Postal Ballot results of which was declared on 13th January, 2023 had approved the sub-division/stock split of shares of the Company such that equity shares of face value of Rs. 10/- were sub-divided into 5 (five) equity shares having face value Rs. 2/- each fully paid-up ranking pari-passu with each other in all respects with effect from 3rd February, 2023.

Thereafter, the Authorized share Capital of the Company had been sub-divided into Rs. 220000000 (Rupees Twenty Two Crores), which is divided into 11,00,00,000 (Eleven Crores) equity shares with a face value of Rs. 2/- (Rupees Two Only) from Rs. 22,00,00,000 (Rupees Twenty Two Crores) divided into 2,20,00,000 (Two Crores Twenty Lakh) equity shares with a Face Value of Rs. 10/- (Rupees Ten Only) each with effect from 3rd February, 2023.

Further, the issued, subscribed, and paid-up equity share capital had also changed to Rs. 21,26,54,290 divided into 106327145 equity shares, each of Rs. 2/- each from Rs. 21,26,54,290 divided into 21265429 equity shares of Rs. 10/- (Rupees Ten only) each.

7. CHANGE IN THE NATURE OF BUSINESS

For sustained growth in the future, Company wants to rely on the main business (es) of Company. There is no change in the nature of the business of the Company during the year.

8. TRANSFER TO RESERVE

The Company does not propose to transfer amounts to the general reserve.

9. DEPOSITS

The Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 during the financial year 2022-23.

10. DETAILS OF SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES

As on 31st March, 2023, the Company has 3 (three) subsidiaries, the details of which are as mentioned below.

There are no associates or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiaries.

I. Rebreathe Medical Devices India Private Limited ("RMDIPL"):

A Private Limited Company vide CIN: U33119DL2021PTC383180 incorporated on 5th July, 2021. The Holding Company has 95% shareholding in the Subsidiary.

II. Techbec Industries Limited ("TIL")

A Public Limited Company vide CIN: U31900DL2022PLC404516 incorporated on 13th September, 2022. The holding Company has 63.5% shareholding in the Subsidiary Company.

III. Techbec Global Solutions Private Limited ("TGSPL")

A Private Limited Company vide CIN: U31900DL2022PTC407268 incorporated on 23rd November, 2022. The holding Company has 63.5% shareholding in the Subsidiary Company.

Note:- The Company had entered into share purchase agreement on 28th July, 2023 for transfer of shares held by Company in the Techbec Global Solutions Private Limited. With effect from completion of the Agreement TGSPL ceased to be the subsidiary Company.

IV. Techbec Green Energy Private Limited ("TGEPL")

After the close of financial year and with effect from 27th July, 2023 a wholly-owned subsidiary Company vide CIN: U27201DL2023PTC417728 was incorporated.

The annual accounts of the subsidiaries shall also be kept for inspection by any shareholder in the Registered Office of the Company and the respective offices of its Subsidiary Companies.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the Company's website at www.servotech.in at Investors Tab.

11. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, 10 (Ten) meetings of the Board of Directors were held. For details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this Report.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on 31st March, 2023 the Board comprised of 6 (six) Directors, 3 (three) Executive Directors and 3 (three) Independent Directors. Out of the total 6 (six) directors, 1 (one) is woman director.

1. The Board of the Company upon the recommendation of the Nomination and Remuneration Committee, in its meeting held on 9th August, 2022 had appointed the following:

   I. Mr. Sampat Rai (DIN: 07710412), as Additional Director designated as Non-Executive Independent Director of the Company for period of three (3) Consecutive years w.e.f. 9th August, 2022 and his appointment was regularized by Shareholders in the Annual General Meeting held on 30th September, 2022.

   II. Mr. Jorg Gaebler (DIN: 09699666) as Additional Director designated as Non-Executive and Non-Independent Director of the Company for period of one (1) year w.e.f. 9th August, 2022 and his appointment was regularized by Shareholders in the Annual General Meeting held on 30th September, 2022. However Mr. Gaebler resigned from the Directorship on 11th October, 2022 due to personal reasons.

2. Mr. Nimesh Malhotra (DIN: 07104660) Whole-time Director of the Company has resigned w.e.f. 26th September, 2022.

3. Mr. Rajesh Mohan Rai (DIN: 09050751), initially appointed as Non-executive Independent Director was re-designated to Whole-time Director w.e.f. 15th December, 2022.

4. However, after the close of Financial Year, Mr. Sahiel Khurana (DIN: 02340950) Non-executive Independent Director of the Company resigned w.e.f. 19th May, 2023 and

5. Mr. Meenakshisundaram Kolandaivel (DIN: 09854605) was appointed as Non-executive Independent Director of the Company w.e.f 25th June, 2023.

During the year under review, other than were no above, there were no changes in the Board of Directors and Key Managerial Personnel of the Company.

13. DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, so as to qualify themselves continue to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules thereof. In the opinion of the Board, they fulfil the condition for appointment/re-appointment as Independent Directors on the Board. Further, in the opinion of the Board, the Independent Directors also possess the relevant attributes of integrity, expertise and experience as required to be disclosed under Rule 8(5) (iii) (iiia) of the Companies (Accounts) Rules, 2014.

14. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

a) In the preparation of annual accounts for the financial year ended 31st March, 2023, the applicable accounting standards have been followed and there are no material departures;

b) They have 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 at 31st March, 2023 and of the profit of the Company for that period;

c) They have taken proper and sufficient care for their 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 fraud and other irregularities;

d) They have prepared the annual accounts on a going concern basis;

e) They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and

f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

15. AUDITORS AND AUDITOR'S REPORT

i. STATUTORY AUDITORS

In accordance with the provisions of section 139 of the Companies Act, 2013, M/s. Rohit KC Jain and

Co., Chartered Accountants (Firm Registration No. 020422N), were appointed as the Statutory Auditors for a period of 5 (five) years commencing from the conclusion of the 18th AGM till the conclusion of the 23rd AGM. M/s. Rohit KC Jain and Co., Chartered Accountants is a leading professional services firm engaged in the field of audit, taxation, risk and transaction advisory services.

M/s. Rohit KC Jain and Co., Chartered Accountants have consented to the said appointment, and confirmed that their appointment, would be within the limits mentioned under Section 141(3)(g) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014. Further, they have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI).

The Audit Committee and the Board of Directors recommended the appointment of M/s. Rohit KC Jain and Co., Chartered Accountants, as Statutory Auditors of the company from the conclusion of the 18th AGM till the conclusion of the 23rd AGM.

In accordance with the provisions of the Companies (Amendment) Act, 2017, the requirement related to annual ratification of appointment of statutory auditors by the members has been omitted. Hence, the resolution for ratification of appointment of M/s. Rohit KC Jain and Co., Chartered Accountants as the statutory auditor, whose appointment was approved by the members in the 18th AGM for a term of five consecutive years i.e. till the conclusion of the 23rd AGM, has not been put for motion as an ordinary business in the 19th AGM.

The Auditors' Report for financial year 2022-2023 on the financial statements forms part of this Annual Report. The Auditors have also furnished a declaration confirming their independence as well as their arm's length relationship with the Company as well as declaring that they have not taken up any prohibited non-audit assignments for the Company. The Audit Committee reviews the independence of the Auditors and the effectiveness of the Audit process.

Auditors' Report and the Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

ii. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors in its meeting held on 9th August, 2022 have appointed R & D Company Secretaries as Secretarial Auditor of the Company to conduct the Secretarial Audit of the Company for the financial year 2022-223.

The Secretarial Audit Report in prescribed Form MR-3 for the financial year ended 31st March, 2023 is appended as **Annexure-1** to this Report. Further in response to the observation received in the secretarial audit report we confirm that the Forms MGT-14 have been duly filed with the requisite late fees.

We further confirm that the delay whatsoever has been due to the technical challenges in the MCA portal faced by the Company while filling the said forms.

The Board of Directors further in its meeting dated 21st July, 2023 re-appointed R & D Company Secretaries to conduct the Secretarial Audit of the Company for the financial year 2023-24. The Secretarial Auditor have provided their consent inter alia contains their eligibility to give effect to their appointment.

iii. COST AUDITOR

As per Section 148 of the Act read with Companies (Cost Records and Audit) Rules 2014, M/s NN Sharma & Associates, Cost Accountants (Firm Registration No. 101702) as the Cost Auditors, have been re-appointed as Cost Auditors for the financial year 2023-24 to conduct cost audit of the accounts maintained by the Company in respect of the various products prescribed under the applicable Cost Audit Rules. The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of Audit Committee. The requisite resolution for ratification of remuneration of Cost Auditors by members of the Company has been set out in the Notice of ensuing AGM. The Cost Auditors have certified that their appointment is within the limits of Section 141(3)(g) of the Act and that they are not disqualified from appointment within the meaning of the said Act.

The Cost Audit Report for the financial year 2022-23, issued by M/s NN Sharma & Associates, Cost Accountants, in respect of the various products prescribed under Cost Audit Rules.

There were no observations (including any qualification, reservation, adverse remark or disclaimer) of the Cost Auditors in the Report issued by them for the financial year 2022-23 which call for any explanation from the Board of Directors.

16. DISCLOSURE ON COST RECORDS

Pursuant to provisions of Section 134 of the Act read with Rule 8(5) of the Companies (Accounts) Rules, 2014 it is confirmed that maintenance of cost records as specified

by the Central Government under sub-section (1) of section 148 of the Act, is required by the Company and accordingly such accounts and records are made and maintained.

17. REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee under Section 143(12) of the Act, details of which needs to be mentioned in Director's Report.

18. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report, highlighting the performance and prospects of the Company's business, forms integral part of the Annual Report.

19. CORPORATE GOVERNANCE

A good corporate governance system is something your company is devoted to. The needed Certificate from Secretarial Auditors regarding compliance with the requirements of corporate governance, as prescribed, and the Corporate Governance Report, as stipulated by the SEBI Listing Regulations, are an integral element of this Annual Report.

Your Company has developed and implemented a Code of Business Conduct for all Board members and senior management staff at the Company (Code of Conduct), who have all attested to compliance with the Code in accordance with the corporate governance standards as per the SEBI Listing Regulations. The aforementioned Code of Conduct can be seen on the Company's website at https://www.servotech.in/img/investor/Code-of-Conduct.pdf.

20. FORMAL ANNUAL EVALUATION

Pursuant to applicable provisions of the Act and the Listing Regulations, the Board, in consultation with the Nomination and Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual directors, including Independent Directors and the chairmen of the Board. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and new Compliance requirements.

The Board evaluation exercise for financial year 2022-23 was carried out by way of internal assessments done based on a combination of detailed questionnaires and verbal discussions.

I. Performance evaluation of the Board and Committees

The performance of the Board was evaluated by the Board Members after considering inputs from all the Directors primarily on:

i) Board composition and quality with emphasis on its size, skill, experience and knowledge of members;

ii) Periodic review of Company's management and internal control system for appropriateness and relevance;

iii) Board process and procedure with emphasis on the frequency of meetings, attendance thereof, flow of information;

iv) Oversight of Financial Reporting process including Internal Controls and Audit Functions;

v) Engagement in Corporate Governance, ethics and compliance with the Company's code of conduct.

The Board evaluated the performance of the Committees on the following parameters:

i) Appropriateness of size and composition;

ii) Clarity of mandate and well-defined agenda;

iii) Reporting to the Board on the Committee's activities;

iv) Availability of appropriate internal and external support or resources to the Committees.

II. Performance Evaluation of Individual Directors

The performance evaluation of the Individual Directors were carried out by the Board and other Individual Directors, considering aspects such as:

i) Sufficient knowledge of Company strategy and objective;

ii) Understand their role as Director, as distinct from management;

iii) Adequate and productive use of knowledge and experience of the Independent Directors for the functioning of Board;

iv) Efforts for professional development to enable better fulfilment of their responsibilities;

v) Ask questions/critique proposals with confidence;

vi) Open and effective participation in Board discussions;

vii) Keep stakeholder interest as the touchstone in endorsing decisions.

III. Performance Evaluation of Chairman

i) Display of effective leadership qualities and skill;

ii) Implementation of observations/recommendations of Board Members;

iii) Effective and timely resolution of grievances of Board Members;

iv) Ability to bring convergence in case of divergent views and conflict of interest situation tabled at Board Meetings;

IV. Evaluation Outcome

The evaluation revealed that the timely sharing of information with the Board, the drafting of agenda notes and their content, as well as the drafting of the minutes, were all deemed to be satisfactory. The way the business issues of the company were handled satisfied every Board Member.

21. COMMITTEES OF THE BOARD OF DIRECTORS

Your Company has following Committees of Board of Directors:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders' Relationship Committee;
4. Corporate Social Responsibility Committee; and
5. Committee of Board of Directors

The role and composition of these Committees, including the number of meetings held during the period under review and the related attendance, are provided under Corporate Governance Report which forms part of the Annual Report.

22. MATERIAL CHANGES

The material changes made as on the date of this report are as mentioned hereinbelow:

i. A wholly-owned subsidiary of the Company under name and style as Techbec Green Energy Private Limited ("TGEPL") vide CIN: U27201DL2023PTC417728 was incorporated on 27th July, 2023.

ii. The Company had entered into a share purchase Agreement on Friday, 28th July 2023 with M/s Tamrag Green Solutions (India) Private Limited to sell and transfer the entire equity shares held by the Company in Techbec Global Solutions Private Limited (a subsidiary). Pursuant to the completion and transfer of shares, Techbec Global Solutions Private Limited ceased to be the subsidiary of the Company.

iii. The share price of the Company has appreciated significantly since the stock split held on 3rd February, 2023 and with a view to encourage wider participation and to make it more affordable, the Company did second Stock Split with effect from 28th July, 2023. The Company has sub-divided the Authorized Capital into Rs. 220000000 (Rupees Twenty Two Crores), divided into 22,00,00,000 (Twenty Crores) equity shares with a face value of Rs. 1/- (Rupees One Only) from Rs 220000000 (Rupees Twenty Two Crores), divided into 11,00,00,000 (Eleven Crores) equity shares with a face value of Rs. 2/- (Rupees Two Only).

Further the issued, subscribed, and paid-up equity share capital has changed to Rs. 21,26,54,290 divided into 212654290 equity shares, each of Rs. 1/- (Rupees One each) each from Rs. 21,26,54,290 divided into 106327145 equity shares of Rs. 2/- (Rupees Two only) each subsequent to the stock split.

23. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under Section 2(76) of the Companies Act, 2013 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations"), during the Financial Year under review were in the ordinary course of business and at an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no transactions with related parties in the Financial Year which were in conflict with the interest of the Company and requiring compliance of the provisions of Regulation 23 of the Listing Regulations.

Suitable disclosure as required by the Indian Accounting Standards (Ind AS 24) are mentioned in the Notes which forms integral part of the Financial Statements.

The Company has formulated a policy on the materiality of Related Party Transactions and dealing with Related Party Transactions which has been uploaded on the website of the Company and can be accessed at https://www.servotech.in/img/investor/Related-Party-Transaction-policy.pdf.

The particulars of related party transactions in prescribed Form AOC-2 are attached as "**Annexure-2**".

Pursuant to Regulation 23(9) of the Listing Regulations, your Company has filed half yearly report on Related Party Transactions with the stock exchanges.

24. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate internal financial control procedures commensurate with its size and nature of business.

The Company has appointed Internal Auditors who periodically audit the adequacy and effectiveness of the internal controls laid down by the management and suggest improvements.

The Audit Committee of the Board of Directors approves the annual internal audit plan and periodically reviews the progress of audits as per approved audit plans along with critical internal audit findings presented by internal auditors, status of implementation of audit recommendations, if any, and adequacy of internal controls.

The detailed statement about adequacy of Internal Financial Controls is given in Point No. 11 of the Management Discussion and Analysis Report, which forms an integral part of this Annual Report.

25. SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its future operations.

26. CORPORATE SOCIAL RESPONSIBILITY

The Company does not fall in any of the criteria of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and hence, the Company is not required to comply with the same.

However, a Committee has been constituted to guide the Company in undertaking CSR activities in a focused and structured manner and review CSR Policy from time to time. The Company's CSR policy is placed on the Company's website at weblink: https://www.servotech.in/investors/corporate-governance/policies

27. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO AND RESEARCH & DEVELOPMENT

In accordance with the requirements of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, a statement showing particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo is annexed hereto as **Annexure-3** and forms part of this report.

28. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for its employees and Directors to report concerns about any unethical and improper activity. No person has been denied access to the Chairman of the Audit Committee. The Whistle Blower policy is uploaded on the website of the Company at https://www.servotech.in/img/investor/Whistle-Blower-Policy.pdf.

The Audit Committee monitors and reviews the investigations of the whistle blower complaints. During the year under review, no complaints were received under Whistle Blower Policy

29. EXTRACT OF ANNUAL RETURN

The Annual Return of the Company as on 31st March, 2023 is available on the website of the Company and can be accessed at https://www.servotech.in/blog/wp-content/uploads/2023/09/Annual-Return-MGT-7.pdf

30. SECRETARIAL STANDARDS

The Company complies with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

31. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS MADE BY THE COMPANY

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

32. PARTICULARS OF EMPLOYEES

The details required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of Directors, KMPs and other employees of the Company, are given in **Annexure-4** of this Board's Report.

During the year ended 31st March, 2023, the Company did not have any employee, who is in receipt of remuneration of Rs. 8,50,000/- per month or Rs. 1,02,00,000 per annum and hence the Company is not required to provide information under Sub rule 2 and 3 of Rule 5 of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

However, in terms of first provision of section 136(1) of the Act, the Annual Report and Accounts are being sent to the members and others entitled thereto, excluding the aforesaid information. The said information is available for inspection by the members at the Registered Office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary at email id investor.relations@servotechindia.com.

33. NOMINATION AND REMUENRATION POLICY

The Nomination and Remuneration Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall:

i) formulate the criteria for Board membership, including the appropriate mix of Executive & Non-Executive Directors and Board Diversity;

ii) approve and recommend compensation packages and policies for Directors, Key Managerial Personnel and Senior Management Personnel;

iii) lay down the effective manner of performance evaluation of the Board, its Committees and the Directors; and

iv) such other matters as provided under section 178 of the Act and under the provisions of Listing Regulations.

The salient features of the Nomination and Remuneration Policy of the Company are outlined in the Corporate Governance Report which forms part of this Annual Report. The Policy is available on the website of the Company at: https://www.servotech.in/img/investor/Nomination-and-Remuneration-policy.pdf.

34. RISK MANAGEMENT POLICY

Your Company has in place comprehensive risk assessment and mitigation framework, which is reviewed by the Board periodically. The Committee of Board of Directors has formulated a well-defined Policy for Risk Management to identify, assess and frame a response to threats and mitigate the various risks to our business that affects the achievement of our objectives.

More details on the Policy are given on Company's website which can be accessed through following link: https://www.servotech.in/img/investor/Risk-Management-Policy.pdf

35. DISCLOSURE UNDER SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As per the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committees (ICs) at all relevant locations across India to consider and resolve the complaints related to sexual harassment. The ICs includes external members with relevant experience. The ICs, presided by senior women conduct the investigations and make decisions at the respective locations. The ICs also work extensively on creating awareness on relevance of sexual harassment issues, including while working remotely.

During the year under review, there were no complaints pertaining to sexual harassment.

All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by the Company.

36. FRAUD REPORTING

There was no fraud reported during the Financial Year ended 31st March, 2023.

37. LISTING OF EQUITY SHARES

The equity shares of your Company are listed on National Stock Exchange of India Limited ("NSE") Main Board. The Annual Listing Fees for the year 2022-23 has been duly paid to the NSE.

38. DEPOSITORY SYSTEM

The Members are requested to note that as on 31st March, 2023, 99% of the Company's total paid-up share capital representing 10,62,45,095 shares are in dematerialized form. In view of the numerous advantages offered by the Depository System as well as to avoid frauds, members holding shares in physical mode are advised to avail of the facility of dematerialization from National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

39. HEALTH, SAFETY AND ENVIRONMENT

Your Company has complied with all the applicable Health & Safety Standards, Environment Laws and Labor laws and has been taking all necessary measures to protect the environment and provide workers a safe work environment. Your Company is committed towards improvement in Health & Safety as well as Environmental performance by providing a Safe & healthy work environment to all its employees and co-workers.

40. HUMAN RESOURCE AND INDUSTRIAL RELATIONS

At Servotech, employees are its prime assets and a vital key to its success. The company is committed to creating a professional culture to nurture and enable people to grow in their careers alongside Company's success. The company constantly strives to strengthen its manpower in alignment with the business needs and continue to engage them through various initiatives in the realm of learning & development opportunities, reward & recognition, employee engagement activities and career growth.

41. ACKNOWLEDGMENTS

Your Directors would like to thank all the stakeholders' viz. consumers, shareholders, dealers, suppliers, business partners, bankers, employees and all other business associates for the continuous support given by them to the Company and its Management.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

	RAMAN BHATIA	**SARIKA BHATIA**
DATE: 28.08.2023	**MANAGING DIRECTOR**	**WHOLE-TIME DIRECTOR**
PLACE: New Delhi	DIN- 00153827	DIN- 00155602

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis Report covering performance and outlook is given below:

1. OVERVIEW

The objective of this report is to convey the Management's perspective on the Economy outlook and insight view of the company's products, as well as strategy, operating and financial performance, material developments in human resources, industrial relations, risks & opportunities and internal control systems and their adequacy in the Company during F.Y. 2022-23. This should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in this Integrated Report and Annual Accounts 2022-23.

2. ECONOMY OUTLOOK

The factors that drove inflation in 2022 are already reversing. These include increase in commodity prices, expansive fiscal and monetary policy, and supply chain disruptions. Global inflation is expected to fall from 8.7% in 2022 to 7% in 2023 on the back of lower commodity prices. Inflation is also declining in other major economies including Japan, China and India.

- **GLOBAL ECONOMY:**

According to the IMF's World Economic Outlook, April 2023, the baseline forecast is for growth to fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 percent in 2024. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023. In a plausible alternative scenario with further financial sector stress, global growth declines to about 2.5 percent in 2023 with advanced economic growth falling below 1 percent. Global headline inflation in the baseline is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 on the back of lower commodity prices but underlying (core) inflation is likely to decline more slowly. Global Consumers are increasingly conscious of inflation and the environment. They are countering rising utility bills for electricity by gravitating more towards energy-efficient and environment friendly electrical appliances. Industry peers are responding to this by inculcating greater energy efficiency features into their various products, promising significant payback periods as purchase justification in some cases.

- **INDIAN ECONOMY:**

According to IMF, India's economic growth is projected at 6.1 per cent in 2023, a 0.2 percentage point upward revision compared with the April projection which was 5.9%, reflecting momentum from stronger-than-expected growth in the fourth quarter of 2022 as a result of stronger domestic investment. This upward revision aligns with the growth forecasts presented by the government and the Reserve Bank of India (RBI), which have pegged GDP growth at 6.5% for FY24. However, India will remain the fastest growing major economy. India's rising investment in the green economy, including clean and renewable energy, looking forward to the conversion of this fiscal responsibility into a medium-term framework anchoring India's public finance.

Companies have been in search for better profits and lower labor costs through contract manufacturing in Asia. Due to this trend, some companies are now taking their business elsewhere with lower wages, or considering automation, to secure competitive production cost. When also considering all hidden costs of overseas contract manufacturing, including the import taxes, customs fees and freight expenses, many companies have realized that it is more reasonable to bring the manufacturing back home to automated factories, instead of searching for another low-cost labor country.

3. INDUSTRY STRUCTURE AND DEVELOPMENTS

- **INDIAN ELECTRIC VEHICLE MARKET**

The global electric vehicle market size was valued at USD 193.55 billion in 2022 and is projected to reach a value of USD 693.70 billion by 2030 at a CAGR of 17.30 percent over the forecasting period. Increased demand for fuel-efficient, high performance and low-emission vehicles, strict government pollution restrictions, falling prices for electric vehicle batteries and rising gasoline prices all contribute to the expansion of the electric vehicle market. There is more demand for fuel-efficient cars due to the recent increase in the price of gasoline and diesel. As a result, an increasing need for high fuel-efficient technology fuels a spike in the market for electric vehicles. Additionally, governments and environment organisations worldwide pass strict emission standards and rules to lower car emissions in response to growing environmental concerns. This is predicted to increase consumer demand for electric vehicles, propelling market expansion.

Indian electric vehicle market size was USD 3.21 billion in 2022 to USD 113.99 billion in 2029 and expected to grow at a CAGR of 66.52 percent during the 2022-2029 forecast period. The growth of the electric vehicle (EV) market in India is being fuelled by several key factors, including government support, heightened environmental awareness, and technological advancements. People are becoming more conscious of the environmental impact of traditional fossil fuel-powered vehicles, EVs are becoming increasingly popular as a more sustainable and eco-

friendly alternative. Advancements in battery technology and the availability of convenient charging options have further boosted the appeal of EVs.

The rising demand and adoption of electric micro-mobility vehicles such as electric two-wheelers and electric-three wheelers is an ongoing trend in the market. The Indian market is highly price-sensitive, and the majority of the Indian populace prefer two-wheelers for their daily transport due to rapidly growing traffic congestion. Therefore, in India two-wheelers to Indian road traffic condition, is anticipated to boost the adoption of electric two-wheelers and three wheelers during the forecast period.The cheap product price and rising government initiatives toward e-mobility adoption are some other factors that help various brands to penetrate the Indian electrification market to grab revenue growth opportunities. Furthermore, the rising adoption of electric micro-mobility vehicles is an essential factor that has led to the growth of the India electric vehicle market.

- **SOLAR INDUSTRY**

India is shifting toward greater renewable energy generation while striving to improve energy access, affordability, and security. It's also poised to be one of the fastest growing economies in coming years, which will in turn sharply boost energy demand. Whether it meets those needs with fossil fuels or green alternatives has the potential to shift the trajectory of its greenhouse gas emissions for many more years to come. As a result solar power is a fast developing industry in India. Indian is anticipated to reach around USD 238 billion by 2030, growing at a CAGR of roughly 40% between 2023 and 2032 by supplying 79.07 GW by the end of this year and is projected to reach 195.11 GW in the next five years, registering a CAGR of 19.8% during the forecast period. Over the medium term, the Indian solar energy market is growing owing to the cost of solar power technology, solar systems are becoming more flexible, and solar power is a greener way to make electricity. The market is also propelled by supportive government policies, particularly the Ministry of New and Renewable Energy (MNRE) plans to encourage renewable-based power generation. On the other hand, the solar energy market is restrained by issues like transmission and distribution losses and unpredictability in the continuity of power supply.

Nevertheless, India has a lot of solar irradiance and gets solar energy all year long. This means there are many places in the sunniest parts of the country, like Rajasthan, Gujarat, and Andhra Pradesh, where solar energy can be used. This, along with foreign investment and a lot of research and development projects to improve the technology, gives the Indian solar energy market a lot of chances to grow.

- **LIGHTING INDUSTRY**

The Global LED lighting market is projected to grow at a CAGR of 17.6 percent in value during 2023-2029. The global COVID-19 pandemic has been unprecedented and staggering, with light emitting diode lighting experiencing lower than-anticipated demand across all regions compared to pre-pandemic levels.

Consumers will realize the benefits of longer lights emitting diode life and increase in use of products like LED and recessed lights. Growth in display backlight applications, reduction in the cost of LED, longer lifespan, and high efficiency of these diodes are key factors that are expected to drive the LED lighting market growth.

- **GLOBAL UV DISINFECTION EQUIPMENT MARKET**

The global ultraviolet disinfection equipment market size was estimated at USD 3,629.3 million in 2022 and is expected to expand at a compound annual growth rate (CAGR) of 6.9 percent from 2023 to 2030. Pandemic has a positive effect on Market Growth. UVC radiations provide physical disinfection and do not have residual effects such as chemical disinfection. Companies in the UV disinfection equipment market developed devices that sanitized various items such as wallets, smartphones, and others through UV light. These aspects fueled the growth prospects of the UV disinfection equipment market. Growing population rate around the globe is demanding a clean and high-quality environment is projected to foster the growth of ultra violet disinfection.

- **INDIAN HEALTHCARE INDUSTRY**

Healthcare has become one of the largest sectors of the Indian economy, in terms of both revenue and employment. It is expected to grow at a CAGR of 11.07% during 2023-27. The healthcare sector was expected to add over 7.4 million direct jobs in India during 2022.

India's competitive advantage lies in its large pool of well-trained medical professionals. India is also cost-competitive compared to its peers in Asia and western countries. The cost of surgery in India is about one-tenth of that in the US or Western Europe. The low cost of medical services has resulted in a rise in the country's medical tourism, attracting patients from across the world. Moreover, India has emerged as a hub for R&D activities for international players due to its relatively low cost of clinical research.

4. PRODUCT-WISE PERFORMANCE

Servotech emerged as a pioneer in providing solutions by integrating technology and innovation. It is engaged in the manufacturing, procurement and distribution of a range of high-end yet advanced solar products, EV chargers as well as energy-efficient lighting solutions. Company is doing exponential growth after entering into EV charging equipment and establishing EV charging tech infrastructure pan India expeditiously and bolster the nation's progression towards the electric revolution. With a remarkable legacy of over two decades in establishing solar-powered infrastructure and commissioning projects on a massive scale pan India, Servotech is committed to not only

setting the benchmarks but precedents one after the other in providing nothing but the best. With an aim to cater to our clients with utmost sincerity and devotion, the entity believes in not just serving but building forever-lasting relationships. Steering with expertise and driven by excellence, cutting-edge technological advancements coupled with game-changing innovations are central to Servotech, which has led to its astonishing success, overwhelmingly.

Brief glimpse of the some of the products of the Company are as mentioned below:

i. ELECTRIC VEHICLE CHARGER(EV CHARGER)

Ecocentrism approach among people increased demand for electric vehicles (EV). These emit fewer greenhouse gases and air pollutants than petrol or diesel cars and this takes into account their production and electricity generation to keep them running. Therefore, such as vehicle is seen as a possible replacement for current-generation automobiles, in order to address the issue of rising pollution, global warming, depleting natural resources, etc. Electric Vehicle Chargers are equipped with multiple communication protocols like GSM & Wi-Fi, and comply with authentication protocols such as RFID. Servotech is dealing in following categories of chargers:

a) **AC Charger:** The AC charger acts as regulator & controller. The Charge is delivered in AC mode to the onboard Charger of the Car (EV) and the onboard charger converts AC power to DC power and charges the battery. These chargers are much more widespread due to their installation and operations Cost is lower. At

the same time, they are significantly smaller and their installation is simpler, faster and less expensive. These chargers are suitable for parking spots where the vehicle will stay parked for more time. These chargers are easily available and charge at a continuous rate.

b) **DC Charger:** DC charger has the converter inside the charger itself. That means it can feed power directly to the car's battery and doesn't need the onboard charger to convert it. DC chargers are bigger, faster, and an exciting breakthrough when it comes to EVs. DC Fast

Charging bypasses all of the limitations of the on-board charger and required conversion, instead providing DC power directly to the battery, charging speed has the potential to be greatly increased. These are often used at midways, conventional fuel pumps & other fast charging locations.

ii. SOLAR PRODUCTS

The Company is engaged in the various projects wherein the Company has successfully installed solar systems. In addition, the Company is a pioneer in manufacturing solar inverters.

a) **SOLAR INVERTER:** A solar inverter is a crucial aspect of solar technology. The energy produced from solar panels is converted into usable electricity by a solar inverter so that it may be used in home or place of business. An uninterrupted power supply is provided by a hybrid solar power system with the help of storage batteries linked to the inverter. The batteries act as an inverter and backup in the event of a power loss. Company is currently dealing in below solar inverters;

- Elegant Plus
- FLARE
- On-Grid
- Green Light

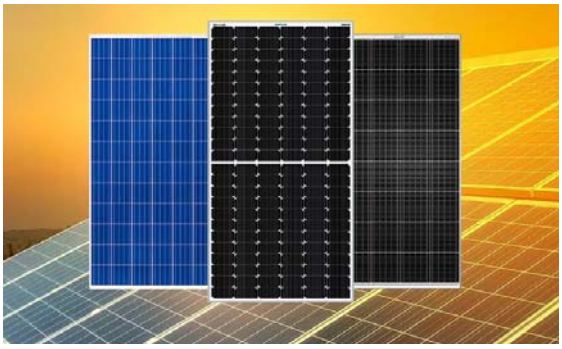
b) **SOLAR MANAGEMENT UNIT:** SMU (solar management unit) is India's special and unique device that converts your simple Inverter into Solar Inverter. SMU ensures priority usage of solar power to reduce grid (government

electricity) consumption. Solar management unit (SMU) is embedded with a high speed microcontroller which increases the performance of the solar system. Solar management unit provides the ability to perform its task more reliably and efficiently.

c) **SOLAR BATTERIES:** Solar batteries are designed to harness solar energy efficiently, ensuring optimal battery capacity for solar lighting systems. These are used in off grid solar systems and hybrid solar systems where electricity generated by solar panels is transferred via solar inverters to solar batteries for storage which can be used later. Solar batteries store the electricity in the form of DC power. During power outages or whenever solar panels are not able to generate electricity, solar inverters take the power from solar batteries to run the home appliances by converting stored DC power into AC power.

d) **PV PORT:** PV port is a Solar PV system which uses sunlight to generate electricity. This product is specifically targeted to increase the adoption of rooftop solar by the residential consumers to overcome the several hurdles. The System contains intelligent controller for electrical flows and can be consumer-based product which involves resale also.

e) **POLY SOLAR PANEL:** Polycrystalline solar panels are the most commonly used type of solar panels in India. They are affordable and have a good efficiency rate. Polycrystalline solar panels can be utilized in both small-scale and large-scale installations as they come in a vast range of power wattages. Since polycrystalline solar panels are cheaper and more eco-friendly to produce, they are also used in large solar, Farms, roof-mounted arrays, traffic-lights, houses etc.



iii. **POWER & BACKUP**

a) **BATTERY:** Tubular batteries are lead-acid batteries that are much larger than flat plate batteries. These batteries are commonly seen in UPS and inverter systems. The tubular batteries have a positive plate nestled within a tube wrapped in cloth that holds its electrodes' power. These batteries provide up to a 30% longer service life than flat plate batteries with embedded feature of Low Resistance Fasteners and Heavy duty terminal

b) **SERVO STABILIZER:** Servo stabilizer protects the costly equipment from high and low voltage problems

- **Air cooled servo Stabilizer:** An air-cooled servo stabilizer is a device that is used to regulate the voltage in an electrical system. Air cooling type is more comfortable and convenient indoor. It consists of a transformer, an air-cooled heat sink, and a control unit. The transformer steps down the voltage from the power source and the air-cooled heat sink dissipates the heat generated by the transformer.

- **Oil Cooled Servo Stabilizer:** These are used in places where there is a high frequency of fluctuating voltage in the power supply. An oil-cooled stabilizer guarantees that the fluctuation in the power supply does not affect the electronic or electrical types of equipment

c) **UPS:**

- **Domestic Inverter & UPS:** This technology creates minimum water loss and increase the battery life immensely. It provides long backup for computers and save space which is ideal for modern day households.

- **Commercial Inverter & UPS:** These UPS are designed for heavy duty telecom applications and provide automatic protection for high and low vantage. This makes it absolutely safe to run everything from lights to ACs to lift and elevators, welding machines in a most cost effective manner.

iv. **LED SEGMENT**

SAARA LED lights are environmentally friendly and provide artistic lighting effects experience and have manifold benefits to the customers. These Lights provide bright and uniform illumination for fuelling stations and surrounding areas. The enhanced visibility from LED canopy lights increases safety for customers and employees, while the energy efficiency and long lifespan of LED lights reduce operating costs. It doesn't contain any harmful elements

like mercury or lead in them like traditional incandescent bulbs. The LEDs also last longer than traditional HID high bay lighting, resulting in less maintenance and lower operating costs. These lights are excellent for illuminating storage facilities and warehouses as well.

v. **OXYGEN CONCENTRATOR & UV DISINFECTANT**

An oxygen concentrator is a device that concentrates the oxygen from a gas supply (typically ambient air) by separating oxygen from ambient air and removing contaminants. The device is approved for medical use and helps minimise all breathing related difficulties in patients. It is Portable and DIY-friendly device which can be used by both patients and caregivers alike.

UV-C Disinfectant technology can be used to inactivate microorganisms by damaging their genetic material and rendering them unable to replicate. It ensures optimal air circulation for excellent ventilation. Featuring intelligent sensors and controls, the purifier is suitable for use at quarantine, containment, and infection control rooms for maintaining a cleaner airflow.

5. STRENGTH

We are not only focusing on a sustainable low-carbon economy, but we are also providing solutions for energy storage, grid optimization, and electric mobility which results in less environmental impact. To accelerate towards the ground-breaking technologies, our commitment to innovation, strategic partnerships, and a steadfast focus on sustainability, we are well-positioned to seize the abundant growth opportunities that lie ahead. As we set forth on an accelerating path towards limitless expansion, we are experiencing an extraordinary shift in the realm of sustainable and environment-friendly energy. In addition to helping us on focus our actions for growth, the data captured across the value chain helps raise for creating win-win situations for the organization, business partners and employees

i. Competitive Strength

a. Highly skilled and efficient senior management and execution team

b. Highly efficient, cost effective and up-to-date technology & safety Quality assurance

c. Diversified and large customer base

d. Scaling the product and increased demand

ii. Business Strategy

a. Robust supply chain & logistics for timely delivery of products and execution of projects.

b. Remained dedicated to achieving its goal of becoming the most respected and valuable Company.

c. Expansion plan and diversification

d. Affordable pricing and enhancing customer base

e. Investing in advanced technology

iii. Overall Business Strategy shall be to

a) Maximize revenue through capacity expansion, diversification and increase in efficiency.

b) Reduction in cost of borrowing.

c) Enhancing production efficiency and minimize process losses.

d) Reduce operational costs and be cost competitive.

e) Have a customer centric approach.

f) Deliver value for money to customers.

g) Adopt best practices in all functions and processes.

6. OPPORTUNITIES AND THREATS

A. OPPORTUNITIES

i. Energy Diversity and Security: Due to Availability of energy efficient appliances, people are becoming aware and concerned about the environment as well as saving on their power bills. This reduces vulnerability to fluctuations in oil prices and enhances energy security by reducing reliance on fossil fuel imports.

ii. Technological Advancements and Job Creation: Advancements of technology not only benefit the automotive sector but also have broader applications, such as energy storage for renewable energy sources and grid stability. It also creates jobs and innovation in battery manufacturing, renewable energy, and charging infrastructure.

iii. Market Growth and rising demand: In an emerging economy like India, demand for electric Vehicles and solar products is rising rapidly. This provides a significant opportunity for the industry to grow.

iv. Infrastructure development: Government's focus on Infrastructure developments such as roads, railways, ports, housing is increasing and is expected to create demand for electrical goods.

B. THREATS

i. Commodity price inflation: Raw material prices have been on the rise due to various supply chain bottlenecks caused by factors like geopolitical instability. This is leading to pressure on margins and poses a significant challenge to the business.

ii. Demand uncertainty: Economic Volatility and the increasing frequency and magnitude of disruptive events have affected the discretionary incomes and demand sentiment. This volatility is also affecting the predictability of demand and the ability to forecast and plan efficiently.

iii. Competitive Intensity: While the industry size for most categories is growing and expected to be healthy for the next several years, this in turn is attracting several more players, leading to much greater competitive intensity.

7. RISKS AND CHALLENGES

The Company relies on a robust and integrated risk management process that enables timely analysis and evaluation of threats. Our capacity to anticipate and adapt to industry developments not only enables us to minimise adverse impacts on the organisation but also helps us to capitalise on emerging opportunities. Risk identification, analysis, mitigation and monitoring are undertaken periodically by the Management. Our ability to comply with a regulatory framework empowers us to

devise effective risk mitigation strategies that help to preserve the reputation and strength of our business. While management is positive about the Company's long term outlook, it is subject to a few risks and uncertainties, as discussed below.

i. Material availability and inflation risk: Unforeseen events that cause disruption along the value chain might cause bottlenecks and a rise in material prices. The explosives sector has material supply and volatility risks relating to chemicals, metals, minerals, and logistics.

ii. Increase in competition: Hyper competitiveness is normal, but it becomes a risk in case it leads to irrational behaviour in the market in terms of pricing and other trade practices.

iii. Non-availability of regular and quality power: Availability of quality electricity is the key for demand of electrical products, any substantial shortfall in the supply of electricity may hamper growth prospects for the industry.

8. FINANCIAL ANALYSIS

The Financial performance with respect to Operational performance of the Company is discussed in the Director's Report which forms part of the Annual Report.

9. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Servotech believes that our people are our greatest assets, who provide the company its unique competitive edge. The Company has adequate trained professionals to manage the affairs of the Company in the most efficient and prudent manner. The Company aims to develop, motivate and retain diverse talent. The Company seeks to maximize the potential of every employee by creating a purpose-driven, inclusive, stimulating, and rewarding work environment. The Company has been broadening and deepening employees' relationships by continually looking for new opportunities and newer areas in the businesses to add value, proactively investing in building newer capabilities and reskilling the workforce.

Servotech appreciates the participation and contribution of employees, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and looks forward to their continuous participation in years to come.

Company continues to emphasize capability building, keeping the future in mind. The Company has made rigorous efforts to ensure that employees can handle challenges of the future, while staying abreast with the knowledge in relation to their respective functional domain. It also focuses on providing opportunities to each employee to grow and utilise their complete potential.

10. EMPLOYEE HEALTH AND SAFETY

We are making sincere efforts to abide by the highest safety parameters to create a safe workplace. We accord paramount importance to the health and safety of our workers by conducting safety drills and training sessions. Considering the risks and dangers associated with working on our products, we have developed a comprehensive health and safety policy that allows us to take proactive measure. To encourage sound business practices, higher productivity, reliability and prepare a more engaged workforce, it is important to cultivate a culture where health and safety are seen as beneficial behaviours. Our facilities are designed and operated with the intention of preventing mishaps that might endanger our employees, external contractors or communities. We will continue to promote a culture where everyone recognises their respective roles, in making Servotech a safer place to work.

11. INTERNAL CONTROL SYSTEM

The Company has an adequate system of internal controls in place. It has documented policies and procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintenance of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorised use or losses, and compliance with regulations. The Company has continued its efforts to align all its processes and controls with global best practices.

Further, in order to meet the robust internal control system in the organisation, the Company has adequate policies and procedures in place for its current size, and for growing future needs. These policies and procedures play a pivotal role in the deployment of internal controls. They are reviewed at periodic intervals to ensure relevance and comprehensiveness, and compliance is ingrained into the management review process. The Company believes that every employee has a role to play in fostering an environment in which compliance with regulations, and ethical behaviour are accorded due importance. Towards this, sessions are periodically held to increase employee awareness on the Company's code of conduct.

The Audit Committee of the Board of Directors, comprising of independent directors and functions, regularly reviews audit plans, significant audit findings, adequacy of internal controls, compliance with accounting standards, etc. The documentation of major business processes and testing thereof including, financial closing, computer controls, and entity level controls, is executed as part of the compliance program.

12. CAUTIONARY STATEMENT

The statements in the 'Management Discussion and Analysis' describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning applicable to securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic, political, changes in government regulations, tax regimes, economic developments and various other internal and incidental factors. Company does not undertake to update any forward looking statements to reflect future events or circumstances. Investors are advised to exercise due care and caution while interpreting these statements.

13. KEY FINANCIAL RATIOS

The Company has identified following ratios as key financial ratios:

Sl. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022	Changes
1.	Current Ratio(times) = Current Assets / Current liabilities	1.79	1.78	0.38%
2.	Debt-Equity Ratio (times) = Total Borrowings/Shareholder's equity	0.52	0.42	24.43%
3.	Debtor Turnover (Days)1	121.35	96.24	26.09%
4.	Return on Equity Ratio (%)2 = Net Profit after taxes/Average Shareholder's equity	13.0%	8.6%	51.59%
5.	Inventory Turnover ratio (times)3= Revenue from operations/Average inventory	18.62	9.74	91.08%
6.	Net Profit ratio (%)4 = Net Profit/Revenue from operations	4.25%	2.73%	55.27%
7.	Return on capital employed (%) = EBIT/Capital employed (Average Total Equity + Debts)	13.1%	11.6%	12.45%
8.	Return on Investment (%) = EBIT/Average Total Assets	10.52%	8.72	20.70%
9.	Operating Profit Ratio5=Operating Profit/Revenue from Operation)	10.89%	6.41%	69.90%
10.	Interest Coverage Ratio6 =EBIT/Finance Cost	6.78	3.09	119.47%

Note: 1. Debtor Turnover Ratio increase due to increase in Total revenue against increase in average trade receivables.

2. Return on Equity Ratio increases due to significant increase in Net Profit during the year with positive contribution from key operating segments.
3. Inventory Turnover ratio increases due to significant increase in Revenue and slight increase in Inventory.
4. Net Profit Ratio increases due to significant increase in Profit after Tax in proportion of Total Revenue.
5. Operating profit Ratio increases due to significant increase in operating profit in proportion of Total Revenue
6. Interest coverage ratio increases due to improved earnings and lower principal repayments during the year.

14. DISCLOSURE OF ACCOUNTING TREATMENT

The Company has followed all the treatments in the Financial Statements as per the prescribed Accounting Standards.

Annexure-I

Form No. MR-3
Secretarial Audit Report

For the financial year ended 31st March, 2023

To
The Members
Servotech Power Systems Limited
806, 8th Floor, Crown Heights, Hotel Crown Plaza,
Sector-10, Rohini, Delhi -110085

IWe have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Servotech Power Systems Limited, a Company incorporated under the provisions of the Companies Act, 1956, vide CIN L31200DL2004PLC129379 and having its registered office at 806, 8th Floor, Crown Heights, Hotel Crown Plaza, Sector-10, Rohini, Delhi -110085 (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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 authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, subject to our comments herein, the Company has, during the Audit Period, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023, according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

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

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

   b. 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)Regulation, 2021;

   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; Not applicable for the financial year under review;

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

   g. The Securities and Exchange Board of India (De-listing of Equity Shares) Regulations, 2021; Not applicable for the financial year under review;

   h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; Not applicable for the financial year under review;

vi. The management has identified the following laws as specifically applicable to the Company.

   - Legal Metrology Act, 2009;
   - The Environmental (Protection) Act, 1986;
   - The Water (Prevention & Control of Pollution) Act, 1974;

- The Air (Prevention & Control of Pollution) Act, 1981;
- Factories Act, 1948 and allied State Laws;
- All other Labour, employee and Industrial Laws to the extent applicable to the Company.

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

i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India notified by Central Government;

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

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

- The Company has not filed e-Form MGT-14 in connection with resolutions passed by the Board of Directors as required to be filed in terms of the provisions of Section 117 read with Section 179 of the Companies Act, 2013.
- Company has received foreign investment against 20,00,000 equity shares amounting Rs. 18,60,00,000 from Zenith Multi Trading DMCC, UAE by way of preferential allotment made in the board meeting held on October 15, 2022. The FC-GPR filed by the Company was rejected by the RBI with inter alia remarks that the investment is coming under the purview of Foreign Portfolio Investment and FC-GPR is not required to be filed for that.

We further report that:

During the period under review, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent adequately in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever applicable.

We 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.

We further report that during the audit period, the Company has not entered into/carried out any specific events/actions which may have a major bearing on the Company's affairs except the following:

- During the year under review the Company has allotted 26,00,000 equity shares of Rs. 10 each issued at a premium of Rs. 83 per share in the board meeting held on October 15, 2022.
- During the year under review the Company has allotted 4,25,000 convertible warrants in the board meeting held on October 15, 2022.
- During the year under review the Company has through postal ballot approve inter alia resolution relating to sub-division (split) of equity shares of the Company from Rs.10 per share to Rs. 2 per share, resolution relating to amendment in ESOP 2022 and resolution relating to grant of stock options to the employees of Company's subsidiaries under ESOP, 2022.
- Company has declared interim dividend of Re. 0.20 per share in the Board meeting held on January 21, 2023.

For R&D
Company Secretaries

Debabrata Deb Nath
Partner
FCS No.: 7775; CP No. : 8612
Peer Review Certificate No.1403/2021
Unique Identification No. P2005DE011200

Place: Delhi
Date: 09.08.2023

Annexure-A

To
The Members
Servotech Power Systems Limited
806, 8th Floor, Crown Heights, Hotel Crown Plaza,
Sector-10, Rohini, Delhi -110085

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards 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 R&D
Company Secretaries

Debabrata Deb Nath
Partner
FCS No.: 7775; CP No. : 8612
Peer Review Certificate No.1403/2021
UDIN: F007775E000767151
Unique Identification No. P2005DE011200

Place: Delhi
Date: 09.08.2023

Annexure-2

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)4)

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

1. Details of Contracts or Arrangements or Transactions not at Arm's Length Basis:

The Company has not entered into any contract/arrangement/transaction with its related parties, which are not in ordinary course of business or at arm's length during the year ended 31st March 2023. The Company has laid down the policies and processes/ procedures so as to ensure the compliance to the subject section in the Companies Act, 2013 and the corresponding Rules:

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

2. Details of Material Contracts or Arrangement or Transactions at arm's length basis

The Company has not entered into any material contract/arrangement/transaction with its related parties.

Sl. No.	Particulars	Details
a.	Name(s) of the related party and nature of relationship	NIL
b.	Nature of contracts/arrangements/transactions	NIL
c.	Duration of the contracts/arrangements/transactions	NIL
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
e.	Date(s) of approval by the Board, if any:	NIL
f.	date(s) of approval by the Board	NIL

ANNEXURE-3

Information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo required to be disclosed under Section 134 of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014 are provided hereunder:

A. CONSERVATION OF ENERGY

i. Steps taken or impact on conservation of energy

The Company has always made an effort to minimize its negative environmental effects and has increased its energy efficiency through a number of programs that have reduced its energy costs. The rapid depletion of natural resources makes sustainable development urgently needed.

The company has kept up its efforts to increase the share of renewable energy and increase energy usage efficiencies across all of its offices and facilities. Energy usage was continuously monitored for compliance with the company's overall sustainability strategy. The Company has kept up with and deepened its efforts to increase energy efficiency.

Energy-saving measures implemented throughout the year include:

1. Installation of 25KW Solar Power Plant in Office & Basement Area that saves electricity Consumption upto – Rs. 300000–350000;
2. Installation of LED lights in place of conventional lights in Indoor and Install Solar Street Lights in Outdoor which save electricity consumption – Rs. 100000 – 150000;
3. Converting all official vehicles in to Battery operated (EV vehicles) to save Rs. 500000- 600000;
4. Plantation in Company premises and surrounding areas around 1000 Plants.

ii. Steps taken by the Company for utilizing alternate sources of energy

Renewable energy sources are among the best energy sources that can help reduce carbon emissions and have a lot less of an impact on the environment than conventional energy technologies, according to the company. The Company works hard to use renewable energy. The following actions were taken throughout the year to use alternative energy sources:

1. Installation of more than 800 Nos of EV Charger 30KW, Installed in BPCL Petrol Pump in PAN India.
2. More than 200 Nos. of 7KW Slow Charger Installing in Nayara Petrol Pumps in PAN India.
3. Install 5MW on grid Solar Power Plant in UP under UPNEDA.
4. Carport Installation is in Progress in Hauz Khas under GIZ and BRPL.
5. Carport Installed in Ayodhya (UP) under UPNEDA.
6. Installation of Off Grid 980KW Solar Power Plant with Lithium Battery in UP under UPNEDA Project

iii. Capital Investment on energy conservation equipment's: Rs. 13 Crores

B. TECHNOLOGY ABSORPTION, ADAPTATION, INNOVATION, BENEFITS AND FUTURE PLANS OF ACTIONS

Research and development (R&D) is a crucial step in creating new competitive advantages, and your company is aware of its importance in the innovation process. The Company gradually expands to create an institutional framework and ecosystem for innovation, skills, delivery plans, collaboration, partnership, and market orientation in a number of niche areas of national importance and market relevance. Technological development aids in the construction of products locally. In order to provide a wider range of products to meet customer needs, your company continued its efforts to strengthen the R&D facilities.

To achieve this, the Company has taken the following steps forward:

1. Development of Lithium Battery for 2 Wheeler and 4 Wheeler.

2. Development of EV DC Charger upto 360kW.
3. Development of Hybrid Solar Inverter upto 10kW for Solar Power Plant.
4. Development of Ongrid Solar Inverter upto 100kW for Solar Power Plant.
5. Development of Oxygen Plant.
6. Development of Power Module for EV Charger.
7. Development of CCS2 and Type-2 connector for EV Charger.
8. Development of Energy Storage System.

Benefits Derived as a result of the above Efforts

i. Cost reduction as per market value of LifePo4 batteries

ii. Reduces cost as per market value Charging Point for electric Vehicle

iii. Reduces cost as per market value Solar Auto Rickshaw

iv. Improvement in manufacturing processes;

v. Partial and complete replacement of hazardous and toxic re-agents with environment-friendly substitutes;

vi. Better Customer satisfaction and support; and

vii. Exploitation of the resources to the fullest in a judicious manner.

C. EXPENDITURE INCURRED FOR RESEARCH & DEVELOPMENT

Capital Expenditure: NIL

Revenue Expenditure: Rs. 22,48,699

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	Amount (in Lacs)
Foreign Exchange Earnings	-
Foreign Exchange Outgo	3277.43

Annexure-4

DETAILS OF REMUNERATION OF DIRECTORS, KMPs AND EMPLOYEES

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

1) Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2022-23.

Sl. No.	Particulars	Designation	Ratio of remuneration of each Director to median remuneration of Employees	% increase in Remuneration
1.	Mr. Raman Bhatia	Managing Director	17.71	40
2.	Ms. Sarika Bhatia	Whole-time Director	15.27	55.56
3.	Mr. Nimesh Malhotra[1]	Whole-time Director	3.02	NA
4.	Mr. Rajesh Mohan Rai[2]	Whole-time Director	3.61	NA

1. Mr. Nimesh Malhotra resigned w.e.f. 26th September, 2022.
2. Mr. Rajesh Mohan Rai re-designated as Whole-time Director from Independent Director w.e.f. 15th December, 2022

2) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, if any, in the financial year 2022-23.

Sl. No.	Name of the Director/KMP	Designation	Percentage increase in Remuneration
1.	Mr. Raman Bhatia	Managing Director	40
2.	Ms. Sarika Bhatia	Whole-time Director	55.56
3.	Mr. Nimesh Malhotra1	Whole-time Director	NA
4.	Mr. Rajesh Mohan Rai2	Whole-time Director	NA
5.	Mr. Anupam Gupta	Director	NA
6.	Mr. Sahiel Khurana	Director	NA
7.	Mr. Sampat Rai	Director	NA
8.	Mr. Vikas Bhatia	Chief Financial Officer	NA
9.	Ms. Priya Pandey	Company Secretary	15.72

1. Mr. Nimesh Malhotra resigned w.e.f. 26th September, 2022.
2. Mr. Rajesh Mohan Rai re-designated as Whole-time Director from Independent Director w.e.f. 15th December, 2022

3) **The percentage increase in the median remuneration of Employees in the financial year:** In Financial Year 2022-2023 was an increase of Nil in the median remuneration of employees.

4) **The number of permanent Employees on roll of the Company:** The Company has 251 permanent Employees on the rolls of Company as on 31st March, 2023.

5) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** During the financial year the average percentile increase made in the salary of employees was NIL and its comparison with the percentile increase in the managerial remuneration was 5%.

6) **Affirmation that the remuneration is as per the remuneration policy of the company:** It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

RAMAN BHATIA
MANAGING DIRECTOR
DIN- 00153827

DATE: 28th August, 2023
PLACE: New Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
M/s Servotech Power Systems Limited
806, 8th Floor, Crown Heights, Hotel Crown Plaza
Sector 10, Rohini Delhi-110085

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Servotech Power Systems Limited having CIN L31200DL2004PLC129379 and having registered office at 806, 8th Floor, Crown Heights, Hotel Crown Plaza, Sector 10, Rohini Delhi-110085 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

S. No.	DIN	Name of Director	Date of Appointment in Company
1.	00153827	Shri Raman Bhatia	24/09/2004
2.	00155602	Smt Sarika Bhatia	24/09/2004
3.	07710412	Shri Sampat Rai	09/08/2022
4.	09050751	Shri Rajesh Rai	12/02/2021
5.	09050762	Shri Anupam Gupta	12/02/2021
6.	02340950	Shri Sahiel Khurana*	02/06/2017

* Ceased to be director of the Company w.e.f. 19.05.2023 due to resignation from position of director.

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

For R& D
Company Secretaries

Debabrata Deb Nath
Partner
FCS No.: 7775; CP No. : 8612
UDIN: F007775E000767193
Peer Review Certificate no. 1403/2021
Unique Identification No. P2005DE011200

Date: 09.08.2023
Place: Delhi

COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021]

To,
The Board of Directors
Servotech Power Systems Limited

I/We, Debabrata Deb Nath, Company Secretary in Practice have been appointed as the Secretarial Auditor vide a resolution passed at its meeting held on 9th August, 2022 by the Board of Directors of Servotech Power Systems Limited. (hereinafter referred to as '**the Company**'), having CIN L31200DL2004PLC129379 and having its registered office at 806, 8th Floor, Crown Heights, Hotel Crown Plaza, Sector 10, Rohini, New Delhi – 110 085. This Certificate is issued under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "**the Regulations**").

Management Responsibility:

It is the responsibility of the Management of the Company to implement the scheme(s) including designing, maintaining records and devising proper systems and effective internal controls to ensure compliance with the provisions of all applicable laws and regulations and to ensure that system are adequate and operate effectively.

Verification:

The Company has implemented "SERVO- Employee Stock Option Scheme 2022 (ESOP -2022)" (Name of the Scheme) viz. Employee Stock Option Scheme/ Employee Stock Purchase Scheme/ Stock Appreciation Rights Scheme/ General Employee Benefits Scheme/ Retirement Benefit Scheme (hereinafter after referred as 'Scheme') in accordance with the Regulations and the Special Resolution(s) passed by the members at the General Meeting(s) of the Company held on 4th March, 2022.

The members of the Company has amend the above Existing Scheme by way of Special resolution through postal ballot on 13th January, 2023 and approve the "SERVO- Employee Stock Option Scheme 2022 (ESOP -2022)" (Amended Scheme).

For the purpose of verifying the compliance of the Regulations, I/we have examined the following documents:

1. Scheme received from/furnished by the Company;
2. The Articles of Association of the Company;
3. Minutes of the meeting of the Board of Directors;
4. Minutes of the General Meeting held for approving the scheme;
5. Minutes of the General Meeting w.r.t variation in the Scheme;
6. Minutes of the General Meeting w.r.t approval for implementing the scheme through trust;
7. Minutes of the meetings of the Compensation Committee/Nomination and Remuneration Committee;
8. Trust Deed;
9. Detailed Terms and Conditions of the scheme as approved by Nomination and Remuneration Committee;
10. Details of trades in the securities of the company executed by the trust through which the scheme is implemented;
11. Relevant Accounting Standards as prescribed by the Central Government;
12. Bank Statements towards Application money received under the scheme(s);
13. Valuation Report;

14. Exercise Price/ Pricing formula;

15. Statement field with recognized Stock Exchange(s) in accordance with regulation 10 of these regulation;

16. Disclosure by Board of Director;

17. Relevant provisions of the Regulations, Companies Act, 2013 and Rules made thereunder;

18. Other relevant document/ filing/ records/ information made available to us and the explanations provided by the Company.

Certification:

In my/our opinion and to the best of my/our knowledge and according to the verifications as considered necessary and explanations furnished to me/us by the Company and its Officers, I/we certify that the Company has implemented the "SERVO- Employee Stock Option Scheme 2022 (ESOP -2022)", is in compliance with the applicable provisions of the Regulations.

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.

2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.

3. 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.

4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021.

For R&D
Company Secretaries

Debabrata Deb Nath
Partner
FCS No.: 7775; CP No. : 8612
UDIN: F007775E000873189
Peer Review Certificate No.1403/2021

Date: 26.08.2023
Place: Delhi

CORPORATE GOVERNANCE REPORT

"Organization's need to practice qualitative corporate governance rather than quantitative governance thereby ensuring it is properly run." –

Mervyn King

In accordance with the Regulation 34(3) read with Section C of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, a Report on Corporate Governance for the year ended 31st March, 2023 is presented below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

At Servotech, We ensure that we evolve and follow the corporate governance guidelines and best practices diligently, not just to boost long-term shareholder value, but also to respect rights of the minority. We consider it our inherent responsibility to disclose timely and accurate information regarding the operations and performance, leadership, and governance of the Company.

Corporate Governance is all about maintaining a valuable relationship and trust with all the stakeholders and is an ethically-driven business process that is committed to values aimed at enhancing an organization's wealth-generating capacity. The Company follows the philosophy of building sustainable businesses that are rooted in the community and demonstrate care for the environment. Company has inherited a strong legacy of fair and transparent ethical governance, and also adopted a Code of Conduct for its employees including the Chief Executive Officer, Managing Director and independent Directors.

2. BOARD OF DIRECTORS

Board has a fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value and its growth. Board effectiveness is enhanced by setting a high bar in selecting the right mix of individuals to serve on the Board, with the right qualifications, expertise and experience, who can collectively serve the best interests of all stakeholders, maintain board and management accountability and drive corporate ethics, values and sustainability.

i. Composition and Board Diversity:

a) The Company has a balanced Board with optimum combination of Executive and Non-Executive Independent Directors, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance.

b) The Board currently comprise of 6 (six) Directors out of which 3 (Three) Directors are Executive Directors including 1(one) Woman Director, 3(three) are Independent Directors. The Independent Directors are Non-Executive Directors, as defined under Regulation 16(1) (b) of the SEBI Listing Regulations as amended from time to time.

c) Mr. Raman Bhatia who is the Promoter Director and is designated as "Managing Director" head the Management of the Company. As the Chairman belongs to Executive Director Group, therefore, as per SEBI (LODR) Regulations, the half of the Board of your Company comprises of Independent Directors.

d) The maximum number of Directorships, Committee memberships/chairmanships of all Directors is within the prescribed limits as per the Act and SEBI Listing Regulations. The disclosures required regarding Board and Committee positions in other public companies as on March 31st March, 20233 have been made by all the Directors of the Company.

e) During the financial year under review, none of the Non-Executive Directors had any material pecuniary relationship or transactions with the Company apart from receiving sitting fees for attending meetings of Board of Directors and Committees thereof. No Director is related to any other Director on the Board, except Mr. Raman Bhatia and Ms. Sarika Bhatia (latter is wife of Mr. Raman Bhatia).

f) Your Company has received declarations from all its Independent Directors confirming that they meet the criteria of independence prescribed both under the Companies Act, 2013 and the SEBI Listing Regulations. In the opinion of the Board, the Independent Directors of the Company fulfills the conditions specified in SEBI Listing Regulations and are independent of the Management.

g) Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives declarations under Section 149(7) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations that he/she meets the criteria of independence as stated in these provisions/clauses.

h) None of the Directors on the Board is a member of more than ten Committees or Chairman of more than five committees across the public companies in which he/she is a director.

i) None of the Independent Directors on the Board serve as Independent Directors in more than seven listed entities. None of the Executive Directors on the Board serve as an Independent Director in more than three listed entities.

j) The names and categories of the Directors on the Board as on 31st March, 2023 is given herein below:

Sl. No.	Name of Directors	DIN	Designation	Category	No. of Equity Shares held in the Company
1.	Mr. Raman Bhatia	00153827	Managing Director	Promoter and Executive Director	33503450
2.	Ms. Sarika Bhatia	00155602	Whole-time Director	Promoter and Executive Director	12898375
3.	Mr. Rajesh Mohan Rai [1]	09050751	Whole-time Director	Executive Director	Nil
4.	Mr. Sahiel Khurana	02340950	Director	Non-executive Independent Director	Nil
5.	Mr. Anupam Gupta	09050762	Director	Non-executive Independent Director	Nil
6.	Mr. Sampat Rai	07710412	Director	Non-executive Independent Director	Nil

[1.] Mr. Rajesh Mohan Rai re-designated as Whole-time Director w.e.f. 15th December, 202

ii. Changes in Board composition during the financial year 2022-23

Name	Nature of change
1. Mr. Nimesh Malhotra, Executive Director	Mr. Nimesh Malhotra, Whole-time Director resigned w.e.f. 26th September, 2022.
2. Mr. Rajesh Mohan Rai, Executive Director	Mr. Rajesh Mohan Rai was Re-designated from Non-Executive Independent Director to Whole-time Director w.e.f. 15th December , 2022
3. Mr. Jorg Gabler Non-Executive Non- Independent Director	Mr. Jorg Gabler, Non-Executive Non- Independent Director resigned w.e.f. 11th October, 2022 due to his personal reasons and other occupations. Also, they had confirmed that there are no other material reason for resignation other than those provided

iii. Directorships in other listed entities

None of the Directors hold directorship in other listed entities except Mr. Rajesh Mohan Rai (whole-time director) who's designated as Director on the Board of Enviro Infra Engineers Limited vide CIN: U45200DL2009PLC191418, a Public Unlisted Company

iv. Board Meetings and Procedures

a) The Board of Directors meet at least once in each quarter to, inter-alia, review annual operating and capital expenditure plans, compliance report(s) of all laws applicable to the Company, minutes of the Board Meetings of Subsidiary Companies, short-term borrowings, any other proposal from the management regarding any restructuring of investments etc.

b) Board Meetings are governed by a structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary in consultation with the Senior Management prepares the detailed agenda for the meetings.

c) Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined agenda format. All material information is circulated along with agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. In order to transact some urgent business, which may come up after circulation agenda papers, the same is placed before the Board by way of table agenda or Chairman's agenda. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

d) Minimum 4 (four) Board meetings are held every year (one meeting in every calendar quarter). Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business emergencies or urgency of matters, resolutions may also be passed by way of circulation.

e) The Board meets at least once every quarter to review the Company's operations and financial performance. The maximum time gap between any two meetings is not more than 120 days. The necessary quorum was present in all the meetings.

f) Profile of the Directors is available on the website of the Company at https://www.servotech.in/team.

g) During the year under review, Board met 10 (ten) times i.e. on 20.05.2022, 09.08.2022, 15.10.2022, 12.11.2022, 16.11.2022, 07.12.2022, 12.01.2023, 21.01.2023, 13.03.2023, and 29.03.2023. The necessary quorum was present for all the meetings.

v. Director's Attendance Record and their other Directorships/Committee Memberships:

As mandated by Regulation 26 of the Listing Regulations, none of the Directors is a member of more than 10 (ten) Board level Committees (considering only Audit Committee and Stakeholders' Relationship Committee) or Chairperson of more than 5 (five) Committees across all public limited companies (listed or unlisted) in which he/she is a Director. Further, all Directors have informed about their Directorships, Committee Memberships/Chairmanships including any change in their positions.

The details of attendance of Directors at the Board Meetings and at the last Annual General Meeting held on 30th September, 2022.

Name of Director(s)	Attendance at		No. of Directorship in other Public Companies	No. of Committees Positions held in other Public Companies	
	Board Meetings	Last AGM		Chairperson	Member
Mr. Raman Bhatia	10	Yes	Nil	Nil	Nil
Ms. Sarika Bhatia	10	Yes	Nil	Nil	Nil
Mr. Nimesh Malhotra [2]	02	Yes	Nil	Nil	Nil
Mr. Sahiel Khurana	10	Yes	Nil	Nil	Nil
Mr. Anupam Gupta*	10	Yes	Nil	Nil	Nil
Mr. Rajesh Mohan Rai*	10	Yes	01	Nil	Nil
Mr. Sampat Rai[3]	08	Yes	Nil	Nil	Nil
Mr. Jorg Gaebler[4]	02	Yes	Nil	Nil	Nil

[2] Mr. Nimesh Malhotra resigned as Executive Director w.e.f. 26th September, 2022.

[3] Mr. Sampat Rai appointed as an additional Non–Executive Independent Director in the Board meeting held on 09.08.2022 and further his appointment regularized vide Annual General Meeting dated 30th September, 2022

[4] Mr. Jorg Gaebler was appointed as Non-Executive and Non-Independent Director vide Annual General Meeting dated 30th September, 2022 and resigned w.e.f. 11th October, 2022.

Notes:

i. Private Limited Companies, Foreign Companies and Companies under section 8 of the Act are excluded for the above purposes.

ii. Only Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies are considered for the purpose of reckoning committee positions.

vi. Details of Skills/Expertise of Board of Directors as per Schedule V of SEBI Listing Regulations

During the year, the Board accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board. Hence, the Company is in compliance of condition of clause 10(j) of Schedule V of the SEBI Listing Regulations.

The following is the list of core skills/competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

Business Leadership	Make decisions, set goals and provide direction in a professional environment along with guiding and inspiring the rest of the team.
Financial Expertise	Having expertise in Good financial planning includes details about cash flow, savings, debt, investments, insurance and any other elements of financial management.
Risk Management	Overseeing key risks, including strategic, financial, operational and assisting the Board in framing, implementing and monitoring the risk management plan for the Company and reviewing and guiding the Risk Policy.
Global Experience	Understanding, of global business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions.

Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and Leading management teams to make decisions in uncertain environments.
Corporate Governance	Experience in developing governance practices, serving the best interests of all Stakeholders, maintaining board and management accountability, building long – term effective stakeholder engagements and driving corporate ethics and values.
Technology & Innovations	Experience or knowledge of emerging areas of technology such as digital, artificial intelligence, cyber security, data center, data security etc.

The specific areas of focus or expertise of individual board members are as mentioned below:

Name of Director	Area of Skills/Expertise						
	Business Leadership	Financial Expertise	Global Experience	Analytical and Decision Making	Corporate Governance	Technology & Innovations	Core Skills
Mr. Raman Bhatia	Yes	Yes	Yes	Yes	Yes	Yes	Operations
Ms. Sarika Bhatia	Yes	Yes	Yes	Yes	Yes	Yes	Sales & Marketing
Mr. Sahiel Khurana	Yes	Yes	Yes	Yes	Yes	Yes	IT
Mr. Anupam Gupta	Yes	Yes	Yes	Yes	Yes	Yes	Operations
Mr. Rajesh Mohan Rai	Yes	Yes	Yes	Yes	Yes	Yes	HR, IT & Admin
Mr. Sampat Rai[5]	Yes	Yes	Yes	Yes	Yes	Yes	Operations

5. Mr. Sampat Rai appointed as an additional director in category Non –Executive Independent Director in the Board meeting held on 09.08.2022 and further his appointment regularized vide Annual General Meeting dated 30th September, 2022.

6. Mr. Sahiel Khurana Non-executive Independent Director resigned w.e.f. 19th May, 2023

vii. Meeting of Independent Directors

a) Company's definition of 'Independence' of Directors is derived from Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (LODR) Regulations. The Independent Directors provide an annual confirmation that they meet the criteria of independence. Based on the confirmations/disclosures received from the Directors, the Board confirms that the Independent Directors fulfill the conditions as specified under SEBI (LODR) Regulations and are independent of the management.

b) The Board members are provided with necessary documents/brochures and reports to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, business strategy and risks involved Quarterly updates on relevant statutory changes encompassing important laws are regularly circulated to the Directors.

c) The Independent Directors have included their names in the databank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

d) The separate meetings of Independent Directors for the Financial Year 2022-23 as per Clause VII (1) of Schedule IV under Section 149 (8) of the Companies Act, 2013 and Regulation 25 (3) of Listing Regulations were held on 6th June, 2022 wherein the Independent Directors reviewed the performance of the Managing Director, Non-Independent Directors and other matters.

viii. Familiarization Programme

a) All new Non-Executive Directors inducted to the Board are introduced to the Company's culture through an orientation programme. Managing Director, Executive Director and Senior Management provide an overview of operations and familiarize the new Non-Executive Directors with the organisation structure, Board procedures, operations of the Company, etc.

b) Pursuant to Regulation 25(7) of the Listing Regulations, the Company conducted various familiarization programs for its Directors including review of Industry Outlook at the Board Meetings, regulatory updates at Board and Audit Committee Meetings, presentations on Internal Control over Financial Reporting, Statutory Compliance, HR, IT, investor grievances, Prevention of Insider Trading Regulations, Listing Regulations, framework for Related Party Transactions, etc.

c) The Independent Directors immediately on appointment are issued a formal letter of appointment and a welcome docket outlining their rights, roles and responsibilities, and the Business overview of the Company, policies and procedures, code of conduct, board charter etc. The Chairman as well as the Managing Director of the Company, brief the Director(s) individually on the industry and businesses of the Company, prior to their appointment.

d) Familiarization Programme along with the details of the training imparted to Independent Directors during the year are available on the website of the Company and the web-link thereto is https://www.servotech.in/investors/corporate-governance/policies/familiarization-programme-for-independent-directors

e) The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment. The details of evaluation are captured in the Directors' Report, which forms part of this Annual Report.

3. GOVERNANCE BY THE COMMITTEES

The Committees plays a crucial role in the governance structure of the Company and have been constituted to deal with specific areas as mandated by applicable regulation; which concern the Company and need a closer review. These committees monitor the board's compliance with legal and ethical requirements, regulations, and laws. Each Committee is guided by its Charter or Terms of Reference, which provides for the composition, scope, powers and duties and responsibilities. The recommendation and/or observations and decisions are placed before the Board for information or approval. The Chairman of the respective Committee informs the Board about the summary of the discussions held/decisions taken at the Committee Meetings.

As on 31st March, 2023, the Board has constituted the following mandatory and non-mandatory Committees:-

a. Audit Committee
b. Nomination and Remuneration Committee
c. Stakeholders' Relationship Committee
d. Committee of Board of Directors
e. Corporate Social Responsibility Committee

I. AUDIT COMMITTEE

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditor and the cost auditor and notes the processes and safeguards employed by each of them. The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Act read with the rules made thereunder and Regulation 18 read with Part C of Schedule II of SEBI (LODR) Regulations. The Committee comprises of members who possess financial and accounting expertise/exposure. A detailed composition of the Audit Committee is also available on the website of the Company at https://www.servotech.in/investors/corporate-governance/board-and-committees

The role of the Committee inter-alia includes the following:

i. Terms of Reference

The members of the Audit Committee are financially literate and have experience in financial management. The Committee invites the Managing Director, Executive Directors, Non-Executive Directors, CFO and Statutory Auditor to attend the meetings of the Committee. The role of the Committee inter alia includes the following:

The Audit Committee is, inter alia, broadly empowered with the following pursuant to its terms of reference and its roles:

1. To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. To recommend the appointment, remuneration and terms of appointment of auditors of the Company;
3. To approve the payment to Statutory Auditors for any other services rendered by Statutory Auditors;
4. To review with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
   a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   b) changes, if any, in accounting policies and practices and reasons for the same;
   c) major accounting entries involving estimates based on the exercise of judgment by management;
   d) significant adjustments made in the financial statements arising out of audit findings;
   e) compliance with listing and other legal requirements relating to financial statements;
   f) disclosure of any related party transactions;
   g) modified opinion(s) in the draft audit report

5. To review with the management, the quarterly financial statements before submission to the Board for approval;

6. To review, with the management, the statement of uses/ application of funds raised through an issue (public issue, right issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and making appropriate recommendations to the board to take up steps in this matter;

7. To review and monitor the auditor's independence and performance, and effectiveness of audit process;

8. To approve or any subsequent modification of transactions of the Company with related parties;

9. Valuation of undertakings or assets of the Company, wherever it is necessary;

10. To evaluate the internal financial controls and risk management systems;

11. To discuss with internal auditors of any significant findings and follow up thereon;

12. To scrutinize the inter-corporate loans and investments;

13. To review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

14. To review the functioning of the Whistle Blower Mechanism;

15. To approve the appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.

16. To discuss with Statutory Auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

ii. Composition, Meeting And Attendance

During the financial year under review, the committee met 4 (Four) times, on 20.05.2022 09.08.2022, 12.11.2022 and 21.01.2023 respectively. The composition and attendance of the Members at the meetings are as follows:

Name of Directors	Designation	Category of Director	No. of meetings held	No. of meetings attended
Mr. Sahiel Khurana	Chairperson	Independent Director	4	4
Mr. Raman Bhatia	Member	Executive Director	4	4
Mr. Sampat Rai[6]	Member	Independent Director	4	2
Mr. Anupam Gupta[7]	Member	Independent Director	4	2

7. Mr. Sampat Rai appointed as additional director (Non–Executive Independent Director) in the Board meeting held as on 09.08.2022and in terms of that introduce as member in the Audit Committee w.e.f. 9th August, 2022 and further his appointment regularized vide Annual General Meeting dated 30th September 2022..

8. Upon appointment of Mr. Sampat Rai in the Audit Committee Mr. Anupam Gupta stepped down from the Audit Committee w.e.f. 9th August, 2022.

Requisite quorum was present in all the meetings.

Ms. Priya Pandey, Company Secretary of the Company acts as Secretary to the Committee. The Chairman of the Audit Committee was present at the last AGM held on 30th September, 2022 to answer the shareholders' queries.

II. NOMINATION AND REMUNERATION COMMMITTEE

The purpose of the Nomination and Remuneration Committee ('NRC') is to formulate the criteria for determining qualifications, positive attributes and independence of a director and also recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees. The NRC and the Board periodically reviews competence and progress. It helps the committee determine whether the board achieved its goals in alignment with the overall strategy. During the year, the NRC/Board conducted an evaluation of its own performance, Individual Directors as well as the working of the Committees as per the Board evaluation framework adopted by it.

The role of the Committee inter-alia includes the following:

i. Terms of Reference

This Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Act.

a) To recommend to the Board the setup and composition of the Board and its Committees

b) To Recommend to the Board the appointment/ re-appointment of Directors and Key Managerial Personnel;

c) To lay out remuneration principles for Directors, Key Managerial Personnel and Senior Management Personnel linked to their effort, performance and achievement relating to the Company's goals trends and practices that prevail in peer companies across the industry;

d) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors; and

e) To ensure the Board Diversity by constituting the structure of Board of Directors.

ii. Composition, Meeting and Attendance

The Committee met 4 (Four) times during the period under review on 09.08.2022, 05.09.2022, 12.11.2022, and 07.12.2022 respectively.

The composition of the Nomination and Remuneration Committee along with the details of the meetings held and attended by the members of the Committee during the year under review is detailed below:

Name of Directors	Designation	Category of Director	No. of meetings held	No. of meetings attended
Mr. Sampat Rai [8]	Chairperson	Independent Director	4	3
Mr. Anupam Gupta[9]	Member	Independent Director	4	1
Mr. Sahiel Khurana [10]	Member	Independent Director	4	4
Mr. Rajesh Mohan Rai [11]	Member	Whole-time Director	4	4
Mr. Jorg Gabler [12]	Member	Non-Executive Non-Independent Director	4	1

9. Mr. Sampat Rai appointed as additional director (Non–Executive Independent Director) in the Board meeting held as on 09.08.2022and in terms of that appointed as Chairperson in the Nomination and Remuneration Committee w.e.f. 9th August, 2022. Further his appointment regularized vide Annual General Meeting dated 30th September, 2022.

10. Mr. Anupam Gupta stepped down from the Committee w.e.f. 9th August, 2022

11. Mr. Sahiel Khurana stepped down as Chairperson w.e.f. 9th August, 2022.

12. Mr. Rajesh Mohan Rai was re-designated as Whole-time Director w.e.f. 15th December, 2023 thereafter they stepped down from the Committee and Mr. Anupam Gupta was reintroduce in the Committee w.e.f. 15th December, 2022.

13. Mr. Jorg Gabler appointed as Non-Executive Independent Director w.e.f. 9th August, 2022 and resigned w.e.f. 11th October 2022.

iii. Remuneration Policy

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavours to attract, retain, develop and motivate the high-calibre executives and to incentivize them to develop and implement the Company's strategy, thereby enhancing the business value and maintain a high performance workforce. The policy ensures that the level and composition of remuneration of the Directors is optimum. The Remuneration Policy of your Company applies to the Directors, Key Managerial Personnel ("KMP"), Senior Management Personnel and other employees of the Company.

With a view to determine the remuneration of the Directors, KMP and other employees of the Company, a Remuneration Policy has been framed by the Nomination and Remuneration Committee and approved by the Board with the following broad objectives:

i. Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

ii. Motivate KMP and Senior Management to achieve excellence in their performance;

iii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

iv. Ensuring that the remuneration of Directors, KMP 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.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice. This policy is uploaded on the website of the company i.e. at https://www.servotech.in/img/investor/Nomination-and-Remuneration-policy.pdf

iv. Details of Remuneration

1. Executive Directors

The remuneration paid to the Executive Directors is recommended by the Nomination & Remuneration Committee in accordance with Nomination & Remuneration Policy adopted by the Company and approved by the Board of Directors subject to the approval by the shareholders, if so required. During the period under review, there is no change in executive directors of the company.

The details of the remuneration paid to the Executive Directors are provided in the Extract of the Annual Return which is available on the Company's website https://www.servotech.in/investors.

2. Non-Executive Directors

Non-Executive Directors are paid remuneration by way of sitting fee for attending meetings of the Board

and/or Committees thereof. Further, the remuneration paid to Non- Executive Directors is in accordance with Nomination & Remuneration Policy adopted by the Company and approved by the Board of Directors subject to the requisite approvals, as may be applicable.

During the financial year 2022-23, the Company paid sitting fees to its Non-Executive Directors for attending meetings of the Board of Directors of the Company. The Company also reimburses the out-of pocket expenses incurred by the Directors for attending the meetings.

The details of the remuneration paid to the Non-Executive Directors is provided in the Extracts of Annual Return is available on the Company's website: https://www.servotech.in/investors.

3. Senior Management Employees

The remuneration is divided into two components viz; fixed component of salaries, perquisites and retirement benefits and variable component of performance based incentive.

III. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee ('SRC') considers and resolves the grievances of our shareholders and other security holders, including complaints relating to non-receipt of annual report, transfer and transmission of securities, non-receipt of dividends/interests, issue of new/duplicate certificates, general meetings and such other grievances as may be raised by the security holders of the Company, from time to time. This Committee ("SRC") is constituted in line with the provisions of Regulation 20 read with Part D of Schedule II of SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

i. Terms of Reference

The terms of reference of the Committee include following:

a) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of dividends, issue of new/duplicate certificates, general meetings etc.

b) Review of measures taken for effective exercise of voting rights by shareholders.

c) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

d) Review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

ii. Composition, Meeting and Attendance

The Committee met 3 (Three) time during the period under review on 09.08.2022, 07.12.2022 and 04.02.2023 respectively.

The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

Name of Directors	Designation	Category of Director	No. of meetings held	No. of meetings attended
Mr. Sahiel Khurana	Chairperson	Independent Director	3	3
Mr. Nimesh Malhotra [13]	Member	Whole-time Director	3	1
Mr. Rajesh Mohan Rai [14]	Member	Whole-time Director	3	3
Mr. Sampat Rai [15]	Member	Independent Director	3	2

14. Mr. Nimesh Malhotra resigned w.e.f. 26th September, 2022.

15. Mr. Rajesh Mohan Rai was re-designated as Whole-time Director w.e.f. 15th December, 2022 and in order to comply the SEBI (LODR) Regulation stepped down as Chairperson of the Committee.

16. Mr. Sampat Rai appointed as additional director (Non–Executive Independent Director) in the Board meeting held as on 09.08.2022and introduce in the Committee w.e.f. 9th August, 2022. Further his appointment regularized vide Annual General Meeting dated 30th September 2022.

Requisite quorum was present in all the meetings.

Ms. Priya Pandey, Company Secretary of the Company being the Compliance Officer takes all necessary and immediate steps for investors' grievances.

Details of Investors' complaints/requests received and redressed during the year:

Opening Balance	Received During the year	Resolved During the year	Closing Balance
Nil	Nil	Nil	Nil

iii. Senior Management

Particulars of Senior Management of the Company for the year ended 31st March, 2023:

Sl. No.	Received During the year	Closing Balance
1.	Mr. Raman Bhatia	Managing Director
2.	Ms. Sarika Bhatia	Whole-time Director
3.	Mr. Rajesh Mohan Rai	Whole-time Director
4.	Mr. Vikas Bhatia	Chief Financial Officer

5.	Ms. Priya Pandey	Company Secretary and Compliance Officer
6.	Mr. BT Patro	Sr. Vice President- Operations
7.	Mr. Kulbir Singh	Vice President- Sales
8.	Mr. Vipin Kaushik	Financial Controller
9.	Mr. Anil Kumar Yadav	General Manager- Operations

IV. COMMITTEE OF BOARD OF DIRECTORS

The Committee of Directors provides support the Board for taking various decisions with respect to day-to-day affairs of the Company, to focus on certain specific areas and make informed decisions in line with the authority delegated by Board of Directors of the Company. The Committee is authorized to transact all the businesses which the Board of Directors is empowered to transact except for the transactions that are mandated to be dealt in at the Board Meeting pursuant to the provisions of the Act.

i. Terms of reference of the Committee

In accordance with the provisions of the Act, the Committee of Board of Directors has been authorized to grant powers in connection with day to day routine matters such as authorization for various tender purposes, banking matters or any other matters for day to day business operations of the Company for its smooth functioning.

ii. Composition, Meeting and Attendance

The Committee met 4 (four) times during the period under review on 16.05.2022, 18.07.2022, 21.11.2022 and 19.02.2023 respectively.

The composition of the Committee of Board of Directors and the details of meetings attended by its members are given below:

Name of Directors	Designation	Category of Director	No. of meetings held	No. of meetings attended
Ms. Sarika Bhatia	Chairperson	Executive Director	4	4
Mr. Rajesh Mohan Rai [16]	Member	Executive Director	4	3
Mr. Nimesh Malhotra [17]	Member	Executive Director	4	2
Mr. Sahiel Khurana	Member	Independent Director	4	4
Mr. Raman Bhatia	Member	Executive Director	4	4

17. Mr. Rajesh Mohan Rai re-designated as Whole-time Director w.e.f. 15th December, 2022 and after that stepped down from the committee.

18. Mr. Nimesh Malhotra executive director resigned w.e.f. 26th September, 2022

V. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The purpose of our Corporate Social Responsibility ('CSR') Committee is to formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the initiatives to be undertaken by the Company, recommend the amount of expenditure the Company should incur on Corporate Social Responsibility ('CSR') activities and to monitor from time to time the CSR activities and Policy of the Company. The CSR Committee provides guidance in formulation of CSR strategy and its implementation and also reviews practices and principles to foster sustainable growth of the Company by creating values consistent with long-term preservation and enhancement of financial, manufacturing, natural, social, intellectual and human capital.

i. Terms of reference of the Committee

a) Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in compliance with the Act and rules framed thereunder;

b) Recommend the amount of expenditure to be incurred on the activities as above; and

c) Monitor the CSR Policy of the Company from time to time.

ii. Composition, Meeting and Attendance

The Committee met 1 (One) time during the period under review on 09.08.2022.

The composition of the CSR Committee and the details of meetings attended by its members are given below:

Name of Directors	Designation	Category of Director	No. of meetings held	No. of meetings attended
Mr. Rajesh Mohan Rai	Member	Independent Director	1	1
Mr. Sahiel Khurana	Member	Independent Director	1	1
Mr. Anupam Gupta	Member	Independent Director	1	1

VI. GENERAL BODY MEETINGS

I. DETAILS OF THE LAST 3 ANNUAL GENERAL MEETINGS OF THE COMPANY

Financial Year	Location(s)	Meeting Date	Time
2021-22	Video Conferencing ("VC")/ Other Audio Visual Means deemed to be conducted at the Registered Office of the Company	30th September, 2022	11:00 A.M.

2020-21	Video Conferencing ("VC")/ Other Audio Visual Means deemed to be conducted at the Registered Office of the Company	30th September, 2021	11:00 A.M.
2019-20	Hotel Crown Plaza, Twin District Center, Sector-10, Rohini, New Delhi-110085	19th December, 2020	11:00 A.M.

II. DETAILS OF THE SPECIAL RESOLUTIONS PASSED DURING PREVIOUS THREE ANNUAL GENERAL MEETINGS

During the year following resolution have been passed as Special Resolution(s):

a) **ANNUAL GENERAL MEETING- 30th SEPTEMBER, 2021**

RESOLUTION NO. 6: Approve the Appointment of Mr. Sampat Rai as the Non-Executive Independent Director of the Company.

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	12883845	12597595	97.78	12597595	0	100	0
Public – Institutions	0	0	0	0	0	0	0
Public -Non Institutions	5781584	917037	15.86	917037	0	100	0
Total	18665429	13514632	72.40	13514632	0	100	0

RESOLUTION NO. 7: Approve the payment of remuneration to Ms. Sarika Bhatia, Whole-time Director of the Company.

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	12883845	12597595	97.78	12597595	0	100	0
Public – Institutions	0	0	0	0	0	0	0
Public -Non Institutions	5781584	917037	15.86	916387	650	99.93	0
Total	18665429	13514632	72.40	13513982	650	100	0

b) ANNUAL GENERAL MEETING- 30TH SEPTEMBER, 2021

RESOLUTION NO. 2: Re-appointment of Ms. Sarika Bhatia as the Whole-Time Director, who retires by rotation and being eligible, offer herself for re-appointment.

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	12863475	12861600	99.99	12861600	0	100	0
Public – Institutions	0	0	0	0	0	0	0
Public -Non Institutions	5456954	89070	1.63	89070	0	100	0
Total	**18320429**	**12950670**	**70.69**	**12950670**	**0**	**100**	**0**

RESOLUTION NO. 3: Re-appointment of Mr. Raman Bhatia as the Managing Director for a period of 5 (five) years w.e.f. 1st June, 2022.

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	12863475	12861600	99.99	12861600	0	100	0
Public – Institutions	0	0	0	0	0	0	0
Public -Non Institutions	5456954	89070	1.63	89070	0	100	0
Total	**18320429**	**12950670**	**70.69**	**12950670**	**0**	**100**	**0**

RESOLUTION NO. 6: Approve the re-appointment of Mr. Sahiel Khurana, (DIN: 02340950) as an Independent Director of the Company for a second term of five consecutive years.

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	12863475	12861600	99.99	12861600	0	100	0
Public – Institutions	0	0	0	0	0	0	0
Public -Non Institutions	5456954	89070	1.63	89070	0	100	0
Total	**18320429**	**12950670**	**70.69**	**12950670**	**0**	**100**	**0**

c) ANNUAL GENERAL MEETING- 19th DECEMBER, 2020

RESOLUTION NO. 3: Ratification of Remuneration of M/s. N N Sharma & Associates, Cost Auditors of the Company.

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	12856250	9172500	71.35	9172500	0	100	0
Public – Institutions	0	0	0	0	0	0	0
Public -Non Institutions	5454179	65110	1.19	65110	0	100	0
Total	**18310429**	**9237610**	**50.45**	**9237610**	**0**	**100**	**0**

RESOLUTION NO. 4: Payment of remuneration to Mr. Raman Bhatia, (DIN: 00153827) Managing Director.

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	12856250	9073700	70.58	9073700	0	100	0
Public – Institutions	0	0	0	0	0	0	0
Public -Non Institutions	5454179	57110	1.05	57110	0	100	0
Total	**18310429**	**9130810**	**49.87**	**9130810**	**0**	**100**	**0**

RESOLUTION NO. 5: Continuation of payment of remuneration to Ms. Sarika Bhatia, (DIN: 00155602) Whole-time Director in excess of threshold limits.

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	12856250	9073700	70.58	9073700	0	100	0
Public – Institutions	0	0	0	0	0	0	0
Public -Non Institutions	5454179	57110	1.05	57110	0	100	0
Total	**18310429**	**9130810**	**49.87**	**9130810**	**0**	**100**	**100**

RESOLUTION NO. 6: Re-appointment of Mr. Nimesh Malhotra, (DIN: 07104660) as the Whole-time Director for a period of 3 (three) years w.e.f. 19th July, 2021.

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	12856250	9172500	71.35	9172500	0	100	0
Public – Institutions	0	0	0	0	0	0	0
Public -Non Institutions	5454179	65110	1.19	65110	0	100	0
Total	**18310429**	**9237610**	**50.45**	**9237610**	**0**	**100**	**0**

III. DETAILS OF THE SPECIAL RESOLUTIONS PASSED DURING THE FINANCIAL YEAR 2021-2022 THROUGH POSTAL BALLOT

During the year following resolution have been passed as Special Resolution:

1) POSTAL BALLOT PROCESS- 13th JANUARY, 2023

The Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated 7th December, 2022 for the following special businesses, which was duly passed and the results of which were announced on 13th January, 2023 and the same were duly filed on NEAPS Portal.

The Board of Directors of the Company in its Meeting held on 7th December, 2022 had appointed Mr. Debabrata Deb Nath, (FCS No.: 7775; CP No.: 8612) Partner, R&D Company Secretaries, Practicing Company Secretaries as the Scrutinizer for conducting the Postal Ballot by way of remote e-voting process in accordance with the Act and in a fair and transparent manner.

RESOLUTION NO. 1: Sub-division (split) of face value of equity shares of the Company.

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	12884580	12884580	100	12884580	0	100	0
Public – Institutions	0	0	0	0	0	0	0
Public -Non Institutions	8380849	1044573	12.46	1044572	1	99.99	0.01
Total	**21265429**	**13929153**	**65.50**	**13929152**	**1**	**99.99**	**0.01**

RESOLUTION NO. 3: Re-designation of Mr. Rajesh Mohan Rai (DIN: 09050751) from Independent Director to Whole Time Director.

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	12884580	12884580	100	12884580	0	100	0
Public – Institutions	0	0	0	0	0	0	0
Public -Non Institutions	8380849	1044573	12.46	1044172	401	99.96	0.04
Total	**21265429**	**13929153**	**65.50**	**13928752**	**401**	**99.99**	**0.01**

RESOLUTION NO. 4: Authorization to the Board of Directors under Section 180 (1) (a) of the Companies Act, 2013 for creation of charge up to the limit of Rs. 200 crores.

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	12884580	12884580	100	12884580	0	100	0
Public – Institutions	0	0	0	0	0	0	0
Public -Non Institutions	8380849	1044573	12.46	1044572	1	99.99	0.01
Total	**21265429**	**13929153**	**65.50**	**13929152**	**1**	**99.99**	**0.01**

RESOLUTION NO. 5: CReation of charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings under Section 180(1)(c) of the Companies Act, 2013.

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	12884580	12884580	100	12884580	0	100	0
Public – Institutions	0	0	0	0	0	0	0
Public -Non Institutions	8380849	1044573	12.46	1044572	1	99.99	0.01
Total	**21265429**	**13929153**	**65.50**	**13929152**	**1**	**99.99**	**0.01**

RESOLUTION NO. 6: Amendment of SERVO-Employees Stock Option Scheme 2022 (ESOP-2022).

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	12884580	12884580	100	12884580	0	100	0
Public – Institutions	0	0	0	0	0	0	0
Public -Non Institutions	8380849	1043357	12.45	1043356	1	99.99	0.01
Total	**21265429**	**13927937**	**65.50**	**13927936**	**1**	**99.99**	**0.01**

RESOLUTION NO. 7: Grant of stock options to the employees of the Company's subsidiaries companies under the "SERVO- Employees Stock Option Scheme 2022 (ESOP-2022)".

Category	No. of shares held	No. of Votes polled	% of votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes in against on votes polled
Promoter and Promoter Group	12884580	12884580	100	12884580	0	100	0
Public – Institutions	0	0	0	0	0	0	0
Public -Non Institutions	8380849	1043357	12.45	1043356	1	99.99	0.01
Total	**21265429**	**13927937**	**65.50**	**13927936**	**1**	**99.99**	**0.01**

2) PROCEDURE FOR POSTAL BALLOT

Resolutions were proposed to be passed by postal ballot, only through remote e-voting process ("e-voting"), in accordance with General Circular Nos. 14/2020 dated 8th April, 2020 and 17/2020 dated 13th April, 2020 read with other pertinent circulars, including General Circular No. 3/2022 dated 5th May, 2022, issued by the Ministry of Corporate Affairs.

The Company had engaged the services of National Securities of Depositories Limited as the agency to provide e-voting facility. Mr. Debabrata Deb Nath, a Practicing Company Secretary, (ICSI Membership No.: 7612), Partner, R&D Company Secretaries acted as Scrutinizer for conducting the Postal Ballot in a fair and transparent manner.

The Postal Ballot Notice dated 7th December, 2022 was sent electronically in accordance with MCA Circulars to Members whose names appeared in the Register of Members/List of Beneficial Owners as of Friday, 9th December, 2022 ("Cut-Off Date") received from the Depositories and whose e-mail addresses were registered with the Company/Registrar and Transfer Agent/Depository Participant/Depositories. The guidelines provided in the postal ballot notice clarified the process for e-voting by (i) individual shareholders holding shares of the company in demat mode, (ii) shareholders other than individuals holding shares of the company in demat mode, (iii) shareholders holding shares of the company in physical mode, and (iv) shareholders who have not registered their e-mail address. Members exercised their vote(s) by e-voting during the period starting from 09:00 A.M. (IST) on Tuesday, 13th December, 2022 till 05:00 P.M. (IST) on Thursday, 12th January, 2023.

VI. MEANS OF COMMUNICATION

Timely disclosure of the information on corporate financial performance and the corporate developments is a sign of good governance practice which the Company disseminates to its stakeholders as follows:

Financial Results	The quarterly, half-yearly and annual results are displayed on the Company's website and also published in leading newspapers in India which includes The Financial Express and Jansatta.
Website and News Releases	In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors Relations on the Company's website www.servotech.in gives information on various announcements made by the Company, stock quotes, Annual Report, Half-yearly/Quarterly and Annual financial results along with the applicable policies of the Company.
Stock Exchange(s)	Your Company makes timely disclosures of necessary information the National Stock Exchange of India Limited ("NSE") NEAPS Portal and Digital Exchange Portal in terms of the Listing Regulations and other rules and regulations issued by the Securities and Exchange Board of India ("SEBI").
SCORES (SEBI Complaints Redressal System)	SEBI processes investors' complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a company for his/her grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.
Exclusive e-mail ID for investors	The Company has designated the email id investor.relations@servotechindia.com exclusively for investor servicing and the same is prominently displayed on the Company's website.

V. DISCLOSURES

1. Code of Conduct

Code of Conduct is a comprehensive document that serves as the ethical road map for the employees and the Company. It also, inter alia, governs the conduct of business in consonance with national interest, fair and accurate presentation of financial statements, being an employer providing equal opportunities to its employees, prohibition on acceptance of gifts and donations that can be intended or perceived to obtain business or uncompetitive favors, practicing political non-alignment, safe and healthy environment for its people, maintaining quality of products and services, being a good corporate citizen, ethical conduct and commitment for enhancement of stakeholder's value.

The Company has a Code of Conduct for its Board Members and Senior Management Personnel pursuant to the provisions of the Act and as per Regulation 17 of the Listing Regulations. The Code of Conduct been placed on the Company's website https://www.servotech.in/investors/corporate-governance/code-of-conduct.

All Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2023.

2. Role of the Company Secretary In Governance Process

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. She ensures that all relevant information, details and documents are made available to the directors and senior management for effective decision making at the meetings. She is primarily responsible for assisting the board in the conduct of affairs of the Company, to ensure compliance with the applicable statutory requirements and Secretarial Standards to provide guidance to directors and to facilitate convening of meetings. She interfaces between the Management and the regulatory authorities for governance matters. All the Directors of the Company have access to the advice and services of the Company Secretary.

3. Related Party Transactions

There are no materially significant transactions with the related parties viz. Promoters, Directors or the Management, or their relatives or subsidiaries that had potential conflict with the interest of the Company. Transactions with related parties, as per requirements of Indian Accounting Standard-24, are disclosed in notes to accounts annexed to the financial statements and the details of significant transactions in Form AOC-2 is annexed to the Directors Report.

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website.

4. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years

No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

5. Whistle Blower Policy/Vigil Mechanism

The Company has this 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 uploaded on the website of the Company.

In accordance with the Listing Regulations and provisions of the Act, your Company has adopted a Whistle Blower Policy with an objective to provide its employees a Vigil Mechanism whereby concerns can be raised in line with the Company's commitment to highest standards of ethical, moral and legal business conduct and its commitment to open communication. The policy is placed on the Company's website at web-link: https://servotech.in/investors/corporate-governance/policies/

6. Accounting Standards

The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements

7. Details of utilization of funds raised through Preferential Allotment or qualified institutional placements as specified under Regulation 32(7A).

The Company vide its Board Meeting held on 6th September, 2022 subject to approval of the shareholders of the Company in Extra-Ordinary General Meeting held on 1st October, 2022 had approved the issue and allotment of 26,00,000 equity shares on a preferential basis to other than Promoters and Promoter Group. Further on there has been no deviation in use of proceeds of the funds raised.

The aforesaid issue and allotment of fully paid-up equity shares of the Company on private placement basis aids the Company to expand its industry presence, local and global presence, rapid, cost-effective solutions across verticals of the Company.

8. Reconciliation of share capital audit

Mr. Debabrata Deb Nath, qualified Practicing Company Secretary, for the financial year 2022-23, had carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

9. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors is given below:

M/s.Rohit KC Jain & Co., Chartered Accountants

Payment to Statutory Auditors	FY 2022-2023
Audit Fees	4,30,000
Out of Pocket Expenses	-
Other Matters	-
Total	4,30,000

10. Recommendation of the Board Committees

During the year under review, there have been no instances of rejection by the Board of any recommendations made by any of its Committees..

11. CEO/CFO Certification

The MD and CEO and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

12. Subsidiary Companies

As on date of this report, your Company have 2(two) Subsidiaries. The Company monitors performance of subsidiary companies, inter-alia, by the following means:

i. The Audit Committee reviews the financial statements, in particular, the investments made by the unlisted subsidiary companies.

ii. The minutes of the meetings of the Board of directors of the unlisted subsidiary Companies were placed at the meetings of the Board of Directors of the Company.

iii. The statement of all significant material transactions and arrangements entered into by the unlisted subsidiary is placed before the Audit Committee on a periodical basis.

13. Code of Conduct for Prohibition of Insider Trading

Your Company has adopted a Code of Conduct as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended. All Designated Persons who could have access to the Unpublished Price Sensitive Information of the Company are governed by the Code. During the year under review, there has been due compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. On a quarterly basis, the Audit Committee reviews the compliance with these Regulations. Your Company has also formulated a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The Codes have been hosted the Company's website at https://www.servotech.in/img/investor/Code-of-Conduct-for-Insider-Trading.pdf.

14. Board Diversity

The Company has adopted the Policy on Board Diversity as required under Regulation 19 read with Part D of Schedule II of SEBI (LODR) Regulations. The policy is available at Company's website at https://www.servotech.in/img/investor/corporate-governance-policies/Board-Diversity-Policy.pdf.

15. Succession Planning

The Nomination and Remuneration Committee works with the Board for succession planning for its Directors, Key Managerial Personnel and Senior Management.

16. Your Company has obtained 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 Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority. The same is attached as an Annexure to this report

17. During the year under review, the Company had not granted any loans/advances in the nature of loans to firms/companies in which Directors are interested.

18. There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large.

19. The Company has complied with and disclosed all the mandatory corporate governance requirements

under Regulation 17 to 27 and sub-regulation (2) of Regulation 46 of Listing Regulations, 2015 (relating to disclosure on the website of the Company).

20. The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Directors' Report.

VI. DISCRETIONARY REQUIREMENTS

The status of compliance with discretionary recommendations of the Regulation 27 of the Listing Regulations, 2015 with Stock Exchanges is provided below:

1. The Board

The Company elects its Chairman in every meeting, henceforth no office for the Chairman is required to be maintained at the Company's expense. There was no reimbursement of expenses to the Chairman in performance of his duties.

2. Shareholders' Rights

The Company's financials are uploaded on the Company's website https://www.servotech.in and on the website of National Stock Exchange of India at nseindia.com.

3. Modified Opinion in Auditors Report

The Company's financial statements for the year 2022-2023 do not contain any modified audit opinion.

4. Separate posts of Chairman and CEO

The Company elects its Chairman in every meeting, therefore, office of Chairperson is separate from that of the Managing Directors in the Company.

5. Reporting of Internal Auditor

The Chief Internal Auditor reports to the Audit Committee and he participates in the meetings of the Audit Committee and presents his audit observations to the Committee.

VII. GENERAL SHAREHOLDER INFORMATION

1.	**Annual General Meeting**	
	Day and Date	Saturday, 30th September, 2023
	Time	11:00 A.M.
	Venue	Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")
2.	Financial Year	1st April, 2022 to 31st March, 2023
3.	Date of Book Closure	Saturday, 23rd September, 2023 to Saturday, 30th September, 2023
4	Dividend payment date	The Company declared Interim Dividend of Rs. 0.20 paise per equity share of the Company for Financial Year 2022-2023 vide Board Resolution dated 21st January, 2023. Further, the Board in the meeting held on 28th August, 2023 proposed the final dividend of Rs. 0.20 paise per equity share of the Company subject to the approval of shareholders in the ensuing AGM.
5	Name and address of Stock Exchanges at which Company's securities are listed;	National Stock Exchange of India Limited ("NSE") Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400051
6	Stock Symbol	NSE Symbol: **SERVOTECH** ISIN: INE782X01017
7	Listing Fees to Stock Exchanges	The Company has paid the annual listing fees for the financial year 2023-24 to the above Stock Exchanges.
	Custodial Fees to Depositories	The Company has paid custodial fees for the financial year 2023-2024 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

VIII. SHARE TRANSFER SYSTEM

The Company's shares are compulsorily traded in the demat segment on stock exchanges, bulk of the transfers take place in the electronic form. The share transfers received in physical form are processed through R & T Agent, within seven days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, issue of duplicate share certificate, dematerialization etc. to the Stakeholders' Relationship Committee ("SRC"). All the physical transfers received are processed by the R & T Agent and are approved by SRC well within the statutory period of one month. The share certificates duly endorsed are returned immediately to the shareholders by the R & T Agent.

The Company obtained following certificate(s) from a Practicing Company Secretary and submitted the same to the stock exchanges within stipulated time:

1. Certificate confirming due compliance of share transfer formalities by the Company pursuant to Regulation 40(9) of the SEBI Listing Regulations for financial year ended 31st March, 2023 with the Stock Exchange and

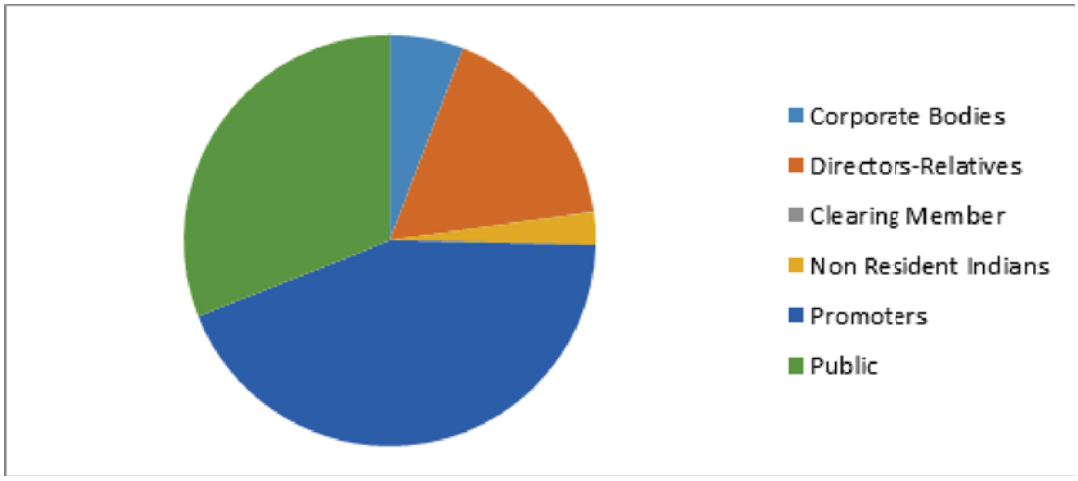
2. Certificate regarding reconciliation of the share capital audit of the Company on quarterly basis. All share transfer and other communication regarding share certificates, change of address, dividend etc. should be addressed to R & T Agents of the Company.

IX. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2023

Sl. No.	No. of equity Shares held	No. of Shareholders	% of total Shareholders	No. of total Shares held	Shareholding in % age
1	1-5000	6932	83.4276	729649	0.68
2	5001-10000	479	5.7648	387813	0.36
3	10001-20000	304	3.6587	454521	0.42
4	20001-30000	144	1.7331	370550	0.34
5	30001-40000	43	0.5175	150881	0.14
6	40001-50000	56	0.6740	272230	0.25
7	50001-100000	93	1.1193	707810	0.66
8	100001 & above	258	3.1051	103253691	97.10
TOTAL		**8,309**	**100**	**10,63,27,145**	**100**

X. CATEGORIES OF SHAREHOLDERS AS ON 31ST MARCH, 2022

Sl. No.	Category	Share	Percentage (%)
1	CORPORATE BODIES	61,80,602	5.81
2	DIRECTORS-RELATIVES	1,80,36,025	16.96
3	CLEARING MEMBER	52,534	0.04
4	NON RESIDENT INDIANS	27,11,717	2.55
5	PROMOTERS	4,64,01,825	43.64
6	PUBLIC	3,29,44,442	30.98
	Total	**10,63,27,145**	**100**



XI. DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Equity Shares of the Company are tradable in the compulsory dematerialized segment of the Stock Exchanges and are available in depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Company has established connectivity with both the depositories viz. NSDL and CDSL through the Registrar & Share Transfer Agent- Bigshare Services Private Limited. This has facilitated the shareholders to hold and trade their shares in 'electronic form'. As on 31st March, 2023, 106245095 equity shares of the Company, forming 99% of the shareholding stand dematerialized.

XII. OUTSTANDING GDRs/ADRs/Warrants or any convertible Instruments, conversion dates and likely impact on equity

The Company had issued share warrants convertible into equivalent no. of equity shares on preferential basis to Ms. Sarika Bhatia, Promoter of the Company. The said warrants shall be converted into equivalent no. of equity shares as per the timelines stipulated in SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, Companies Act, 2013 and other applicable provisions.

XIII. GREEN INITIATIVE IN CORPORATE GOVERNANCE

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, quarterly and half-yearly results, amongst others, to Shareholders at their e-mail address previously registered with the DPs and RTAs. To support this Green Initiative of the Government in full measure, Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holding with the depository through their concerned Depository Participant. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

XIV. MARKET PRICE DATA

Monthly high and low of the Equity Shares of the Company at NSE during the year ended 31st March, 2022 are as follows:

Months during the financial year ended 31st March, 2023	NSE	
	High (Rs./share)	Low (Rs./share)
April, 2022	104.5	77.35
May, 2022	89	57.55
June, 2022	80.65	58.5
July, 2022	69.8	57
August, 2022	92.9	57.55
September, 2022	185.35	93
October, 2022	188.80	153.25
November, 2022	183	125.50
December, 2022	170.6	130.1
January, 2023	244.25	153.85
February, 2023	256.45	35.55
March, 2023	43.75	32.95

- The Company sub-divided the equity shares of the Company, 1 equity share of face value of Rs. 10/- subdivided into 5 equity shares of Rs. 2/- each. Therefore the price of the shares are depicting the changes due to stock split.

XV. Transfer of Unpaid/Unclaimed Dividend Amounts to Investor Education and Protection Fund

During the year under review, the Company had declared an interim dividend but since the tenure of 7 Years has not been completed yet. Therefore, there is no dividend liable to be transferred to IEPF.

XVI. PLANT LOCATIONS

1. **Kundli, Sonepat, Haryana:**

   Plot No. 76-A, Sector-57, Kundli Industrial Area, Sonepat-31028, Haryana..

2. **Bawana, New Delhi:**

   Khewat No. 138, Khata No. 162, Killa No. 14//6/1/2(0-3), 6/2/3(5-13), Village- Safiabad Pana Paposhian, Tehsil- Rai, District- Sonepat-131029, Haryana

XVII. ADDRESS FOR CORRESPONDENCE

REGISTERED OFFICE: **SERVOTECH POWER SYSTEMS LIMITED** 806, 8th Floor, Crown Heights, Hotel Crown Plaza, Sector-10, Rohini, New Delhi-110085	**REGISTRAR & SHARE TRANSFER AGENT** **BIGSHARE SERVICES PVT. LTD.** 302, Kushal Bazar, Nehru Place, New Delhi, Delhi-110019
INVESTOR RELATIONS DEPARTMENT E-mail id: investor.relations@servotechindia.com	E-mail id: bssdelhi@bigshareonline.com mukesh@bigshareonline.com
Website: www.servotech.in	Website: www.bigshareonline.com

COMPLIANCE OFFICER

Ms. Priya Pandey
Company Secretary
ICSI Membership No.: A35815

DECLARATION REGARDING CODE OF CONDUCT

I hereby declare that all Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company during the year 2023.

Raman Bhatia
Managing Director

New Delhi

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of **Servotech Power Systems Limited**

We have examined the compliance of conditions of Corporate Governance by Servotech Power Systems Limited, for the year ended on 31st March 2023, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI LODR Regulations during the year ended on 31st March 2023.

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

For R&D
Company Secretaries

Debabrata Deb Nath
Partner
FCS No.: 7775; CP No. : 8612
UDIN: F007775E000767171
Peer Review Certificate no. 1403/2021
Unique Identification No. P2005DE011200

Place: Delhi
Date: 09.08.2023

COMPLIANCE CERTIFICATE

To,
The Board of Directors
Servotech Power Systems Limited
806, 8th Floor, Crown Heights, Hotel Crown Plaza,
Sector-10, Rohini-110085, New Delhi

Dear Sirs,

We have reviewed the financial statements together with the cash flow statement of Servotech Power Systems Limited for the quarter ended 30th June, 2023 and that to the best of our knowledge and belief, we state that;

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the quarter ended 30th June, 2023 which is fraudulent, illegal or violative of the Company's code of conduct.

4. We accept the responsibility for establishing and maintaining internal controls for financial accounting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and there had been no deficiency in design or operation of such internal controls during the period under review.

We further certify that the following information has been indicated to the Auditors and the Audit committee:

a) There have been no significant changes in internal control over financial reporting during the year;

b) There have been no significant changes in accounting policies during the year; and

c) There have been no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours Sincerely

Date: 21.07.2023	**Vikas Bhatia**	**Raman Bhatia**
Place: New Delhi	**Chief Financial Officer**	**Managing Director**

INDEPENDENT AUDITOR'S REPORT

To the Members of SERVOTECH POWER SYSTEMS LIMITED

Report on the Audit of Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of SERVOTECH POWER SYSTEMS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the 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 state of affairs of the Company as at March 31, 2023, the Profit, total comprehensive Income, changes in Equity and 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities 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 financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue from sale of products (as described in note 16 of the standalone financial statements). The Company's revenue principally comprises sale of goods. The revenue from sale of goods is recognised in accordance with the accounting principles prescribed under Ind AS 115, "Revenue from contracts with customers" and is measured at the transaction price net of trade discounts and volume rebates as per trade schemes, refund liabilities and taxes or duties collected on behalf of government authorities and is recognised at a point in time when the entity satisfies the performance obligation by transferring control of promised goods to customers. The control in respect of sale of goods is generally transferred when the products are delivered to customers in accordance with the terms of contract with customers.	Our audit procedures on revenue recognition included the following: • Understanding and evaluating the design and testing the operating effectiveness of Company's controls around revenue recognition including accounting for trade discounts and volume rebates. • Assessing the Company's accounting policy for revenue recognition including the policy for recording trade discounts and volume rebates in accordance with Ind AS 115 "Revenue from Contracts with Customers" • Selecting samples of revenue transactions during the year and inspecting underlying documents which included invoices, shipping documents/ customers' acceptance, as applicable, to determine that the revenue is recognised in accordance with the agreed terms. • Testing selected samples of revenue transactions recorded before and after the financial year end date to determine whether the revenue has been recognised in accordance with agreed terms, in the appropriate financial period • Testing on a sample basis the calculation of the provisions for trade discounts and volume rebates at year end with approved trade schemes and underlying sales data, including testing of completeness and arithmetical accuracy of the data used by the Company's Management. • Testing on a sample basis credit notes issued to customers/ payments made for incentives as per the approved trade schemes. Based on the above procedures performed, we did not identify any material exceptions in revenue recognition of sale of goods.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements, and our auditor's 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 during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

  Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and

whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act,

   e. On the basis of the written representations received from the directors as on March 31st, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

   g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Amended Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us: -

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

FFor M/S. Rohit KC Jain & CO,
CHARTERED ACCOUNTANTS
(FRN: 020422N)

ROHIT JAIN
(PARTNER)
M. No. 099444
UDIN: 2309444BGXUX07296

Place: New Delhi
Date: 07.05.2023

ANNEXURE "A "TO THE AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **SERVOTECH POWER SYSTEM LIMITED** *of even date)*

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

We have audited the internal financial statements of SERVOTECH POWER SYSTEM Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

We have considered the disclaimer reported above in determining nature, timing and extent of audit tests applied in our audit of the financial statement of the company, and the disclaimer does not affect our opinion on the financial statements of the company.

For M/S. Rohit KC Jain & CO,
CHARTERED ACCOUNTANTS
(FRN: 020422N)

ROHIT JAIN
(PARTNER)
M. No. 099444
UDIN: 2309444BGXUX07296

Place: New Delhi
Date: 07.05.2023

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in our Independent Auditors' Report in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements to the members of **SERVOTECH POWER SYSTEM LIMITED** on the standalone financial statements for the year ended March 31, 2023)

To the best of our information and according to explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i In respect of the Company's Property, Plant & Equipment and Intangible Assets:

a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of -use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

b) As explained to us, Property, Plant and Equipment and right-of -use assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed (state any other relevant document which evidences title) provided to us, we report that, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

d) The Company has assessed that [Property, Plant and Equipment (including Right of Use of assets) {and intangible assets}] has market value same as previous year during the year.

e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.

ii. a) The physical verification of inventory (excluding goods-in-transit and stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

b) During the year, the Company has been sanctioned working capital limits in excess of ` 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account.

iii. In our opinion and according to the information and explanations given to us, the Company has made investments in/, provided any guarantee/ security/ granted loans/ advances in the nature of loans, secured or unsecured, to companies/, firms/, Limited Liability Partnerships/ other parties, during the year, in respect of which:

(a) The Company has granted loans or advances in the nature of loans, to any other entity, the details of which are as given below. The Company has not provided guarantee or provided security to any other entity (ies) during the year.

Particulars	Loans	Advances in nature of loans
Aggregate amount granted during the year		
- Subsidiaries	**322.88 Lakhs**	
- Others	**130.56 Lakhs**	
Balance outstanding as at balance sheet date in respect of above cases		
- Subsidiaries	**322.88 Lakhs**	
- Others	**130.56 Lakhs**	

(b) In our opinion and according to the information and explanations given to us the investments made, guarantees provided, security given and the terms and conditions of grant of all loans and advances in the nature of loans and guarantees provided are not, prima facie, prejudicial to the Company's interest.

(c) In respect of the loans outstanding as on the balance sheet date, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

(d) In respect of the loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(f) The loans granted during the year had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand. No loans were granted to promoters/related parties.

iv. In our opinion and according to information and explanation given to us, the company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. In respect of Statutory Dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

viii. There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. In respect to repayment of dues:

a. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government, or debenture holder, as applicable to the company.

b. The company has not been declared wilful defaulter by any bank or financial institution or any government authority.

c. As per the information provided to us and as per our analysis the loan has been used only for the purpose for which it was taken.

d. On an overall examination of the financial statements of the company, funds raised on short term basis have, prima facie, not been used during the year for long term purpose of the company.

e. On an overall examination of the financial statements of the company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

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. The Company did not have any joint ventures or associate companies during the year.

x. a) The company has not raised any money by way of initial public offer or further public Offer (including debt instruments), hence reporting on Clause 3(x)(a) of the order is not applicable.

b) According to the information and explanations given to us, during the year, the Company has made preferential allotment of shares and Share Warrants. In respect of the same, in our opinion, the Company has complied with the requirement of Section 42 and Section 62 of the Act and the Rules framed there under.

xi. a) According to the information and explanations given to us and Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that we have neither come across any instance of fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

b) No report under sub section (12) of section 143 of the Companies Act has been filed in from ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors), 2014 with the central government, during the year and up to the date of this report.

xii. The company is not a Nidhi Company as specified in the Nidhi Rules, 2014 therefore the provisions of Clause 3 (xiii) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance

with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Standalone Financial Statements etc. as required by under Indian accounting standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. According to the information and explanations given to us, the company has not entered any non-cash transactions with directors or persons connected with him therefore the provisions of Clause 3(xv) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year and accordingly the reporting under clause 3(xviii) is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. There is no qualification or adverse remarks of the companies included in consolidated financial statements.

For M/S. Rohit KC Jain & CO,
CHARTERED ACCOUNTANTS
(FRN: 020422N)

ROHIT JAIN
(PARTNER)
M. No. 099444
UDIN: 2309444BGXUX07296

Place: New Delhi
Date: 07.05.2023

STANDALONE BALANCE SHEET

AS AT 31ST MARCH 2023

(Rs. in Lacs)

Particulars	Note	As at 31st March 2023	As at 31st March 2022
ASSETS			
(1) Non-Current Assets			
a) Property, Plant and Equipment	3	1,867.49	924.65
b) Other Intangible Assets	3	15.63	35.27
c) Intangible Assets under Development	3	49.00	-
d) Investment Property	4	218.93	218.93
e) Financial Assets			
i) Investments	4	26.95	14.25
ii) Loans		-	-
iii) Other Financial Assets		-	-
f) Deferred Tax Assets (net)	5	22.12	0.79
g) Other-Non Current Assets	6	1,462.48	1,418.47
h) Trade Receivables	8	440.92	813.41
		4,103.53	**3,425.77**
(2) Current Assets			
a) Inventories	7	1,457.91	1,218.60
b) Financial Assets			
i) Trade Receivables	8	7,856.28	2,726.87
ii) Cash and Cash Equivalents	9	1,176.94	509.89
iii) Other Bank Balances	9	322.31	270.21
iv) Loans		-	-
v) Other Financial Assets		-	-
c) Other Current Assets	6	426.45	526.07
		11,239.89	**5,251.64**
TOTAL ASSETS		**15,343.42**	**8,677.41**
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	10.1	2,126.54	1,866.54
b) Other Equity	10.2	5,994.73	2,721.09
		8,121.27	**4,587.63**
(1) Liabilities			
Non-Current Liabilities			
a) Financial liabilities			
i) Borrowings	11	750.79	647.51
b) Other Non-Current Liabilities	12	126.90	215.20
c) Deferred Tax Liabilities (net)	5	-	-
d) Provisions	13	46.50	36.59
f) Trade Payables	14	7.38	233.51
		931.56	**1,132.81**
(2) Current liabilities			
a) Financial Liabilities			
i) Borrowings	11	3,477.47	1,272.00
ii) Trade Payables	14	1,639.18	962.74
iii) Other Financial Liabilities		-	-
b) Other Current Liabilities	15	810.85	580.11
c) Provisions	13	363.09	142.12
		6,290.59	**2,956.97**
TOTAL EQUITY AND LIABILITIES		**15,343.42**	**8,677.41**
Summary of Significant accounting policies Notes on Financial Statements	1&2		

The accompanying notes are an integral part of standalone financial statements

As per our report of even date

For Rohit KC Jain & Co.
Chartered Accountants
FRN: 020422N

For and on behalf of the Board of Directors of
Servotech Power Systems Limited

CA Rohit Jain
(Partner)
M.No.- 099444

Raman Bhatia
(Managing Director)
DIN-00153827

Sarika Bhatia
(Whole-time Director)
DIN-00155602

Place: Delhi
Date : 07-05-2023
UDIN : 23099444BGXUX07296

Priya Pandey
(Company Secretary)
M.No.- 35815

Vikas Bhatia
(Chief Financial Officer)
PAN- AJNPB0303P

STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED 31ST MARCH 2023

(Rs. in Lacs)

Particulars	Note	For the year ended 31st March 2023	For the year ended 31st March 2022
Total Income			
Revenue from operations	16	24,915.20	13,369.96
Other income	17	40.81	56.46
Total Revenue		24,956.00	13,426.42
Expenses			
Cost of materials consumed	18	20,443.41	11,258.98
Change in Inventories	19	(159.05)	301.81
Employee benefits expense	20	948.20	536.97
Finance costs	21	238.17	244.93
Depreciation,amortisation and impairment expense	22	208.56	156.88
Other expenses	23	1,900.87	415.50
Total expenses		23,580.16	12,915.06
Profit before exceptional and tax (I - 2)		1,375.84	511.36
Exceptional items		-	5.06
Profit before tax (3-4)		1,375.84	506.30
Tax expense:		**318.67**	**139.94**
(1) Current tax		340.00	127.11
(2) Deferred tax		(21.33)	2.84
(3) CSR Expenses		-	-
(4) Income Tax of Earlier Years		-	9.99
Profit (Loss) for the period (5-6)		**1,057.17**	**366.36**
Other Comprehensive Income		**2.35**	**0.75**
Items that will not be reclassified to profit or loss		3.15	1.00
Income tax relating to items that will not be reclassifed to profit or loss		0.79	0.25
Total Comprehensive Income for the period (7+8)		1,059.53	367.11
Paid-Up Equity Share Capital (Face Value of Share Rs.2/-)		2,126.54	1,866.54
Earnings per equity share:			
(1) Basic (@)		1.00	0.39
(2) Diluted (@)		1.07	0.37
Summary of Significant accounting policies	1&2		

The accompanying notes are an integral part of standalone financial statements

As per our report of even date

For Rohit KC Jain & Co.
Chartered Accountants
FRN: 020422N

CA Rohit Jain
(Partner)
M.No.- 099444

Place: Delhi
Date : 07-05-2023
UDIN : 23099444BGXUX07296

For and on behalf of the Board of Directors of
Servotech Power Systems Limited

Raman Bhatia
(Managing Director)
DIN-00153827

Sarika Bhatia
(Whole-time Director)
DIN-00155602

Priya Pandey
(Company Secretary)
M.No.- 35815

Vikas Bhatia
(Chief Financial Officer)
PAN- AJNPB0303P

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2023

(Rs. in Lacs)

	Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax	1375.84	506.30
	Adjustments For :		
	Other Comprehensive Income	2.35	-
	Depreciation and amortization expenses	169.28	156.88
	Profit/(loss) on sale of fixed asset	0.68	-
	Finance Costs	238.17	244.93
	Interest received	10.64	(21.07)
	Operating Profit before Working Capital Changes	1,796.97	887.04
	Taxes paid (Net)	(340.00)	(139.93)
		1,456.97	**747.11**
	Adjustments For Working Capital :		
	Inventories	(239.30)	307.28
	Trade Receivables & Others	(4,756.93)	1,517.48
	Other Financial , Provisions & Others	286.49	459.84
	Trade Payable & Others	450.30	(1,147.47)
	Increase/ (Decrease) in sundry creditors and other liabilities	142.43	(559.89)
	Cash generated From Operating Activities	**(2,660.04)**	**1,324.35**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets	(1,142.68)	(259.54)
	Sale	0.51	-
	Other/Interest Income	(10.64)	21.07
	Change in Advances		(574.93)
	Investment in Holding Company	(12.70)	(14.25)
	Net Cash Generated from (used in) Investing Activities	**(1,165.51)**	**(827.65)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Payment Towards Leased Liability	-	(52.60)
	Proceeds for Issue of Shares Capital	358.81	35.50
	Dividend Paid	**(42.53)**	**-**
	Other Adjustment	(0.17)	(45.48)
	Repayment/Proceeds for Loan	2,308.76	(38.98)
	Finance Cost	(238.17)	(244.93)
	Share Premium Account including Reserves	2,158.00	290.54
	Net Cash Generated from (used in) Financing Activities	**4,544.70**	**-55.95**
I	Total increase (decrease) in cash and cash equivalents during the year (A+B+C)	719.16	440.75
II	Cash and cash equivalents at beginning of year	780.09	339.34
III	Cash and cash equivalents as at end of the year (I+II)	**1,499.25**	**780.09**

Refer note 1&2 for Summary of Significant accounting policies

The accompanying notes are an integral part of standalone financial statements

As per our report of even date

For Rohit KC Jain & Co.
Chartered Accountants
FRN: 020422N

CA Rohit Jain
(Partner)
M.No.- 099444

Place: Delhi
Date : 07-05-2023
UDIN : 23099444BGXUX07296

For and on behalf of the Board of Directors of
Servotech Power Systems Limited

Raman Bhatia
(Managing Director)
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DIN-00155602

Priya Pandey
(Company Secretary)
M.No.- 35815

Vikas Bhatia
(Chief Financial Officer)
PAN- AJNPB0303P

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2023

A. Equity Share Capital

(1) Current Reporting Period

(₹ in Lakhs)

Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity shre capital during th current year	Balance at the end of the current reporting period
1,866.54	-	-	260.00	2,126.54

(2) Previous Reporting Period

(₹ in Lakhs)

Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity shre capital during th current year	Balance at the end of the current reporting period
1,831.04	-	-	35.50	1,866.54

B. Other Equity

(1) Current Reporting Period

	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
Balance at the beginning of the current reporting period				1,345.96		1,375.13								
Changes in accounting policy or prior period error														-
Restated balance at the beginning of the current reporting period						-0.17								-0.17
Total Comprehensive Income for the current year						1,059.53								1,059.53
Dividends						-42.53								-42.53

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2023

Share warrants During the year													98.81	98.81
Security Premium during the year				2,158.00										2,158.00
Balance at the end of the current reporting period	-	-	-	3,503.96	-	2,391.95	-	-	-	-	-	-	98.81	5,994.73

1) Current Reporting Period

	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
Balance at the beginning of the current reporting period				1,018.79		1,093.69								2,112.48
Changes in accounting policy or prior period error														-
Restated balance at the beginning of the current reporting period														-
Total Comprehensive Income for the current year				327.17		367.12								694.29
Dividends						-36.62								-36.62
Share warrants During the year														-
Security Premium during the year						-49.06								-49.06
Balance at the end of the current reporting period	-	-	-	1,345.96	-	1,375.13	-	-	-	-	-	-	-	2,721.09

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

1 Company Overview and Significant Accounting Policies

1.1 Company Overview

Servotech Power Systems Limited ("the Company") was incorporated on 24.09.2004 as a Private Limited Company and converted in to Public Limited Company domiciled in India on 24.05.2017. Its shares are listed on National Stock Exchange (NSE). The company is primarily engaged in manufacturing of LED lights and Solar power products.

The standalone financial statements were authorized by the Board of Directors for issue in accordance with resolution passed on 7th May 2023.

2 Significant Accounting Policies

The significant accounting policies applied by the Company in the preparation of its standalone Ind AS financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise stated.

2.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of, unless otherwise stated.

A) Statement of compliance

These financial statements of the Company are prepared and presented in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provision of the Act as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

B) Functional and presentation currency

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to nearest lakhs upto two decimal places (INR 00,000), except when otherwise indicated.

C) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

(i) Derivative Instruments

(ii) Certain financial assets and liabilities that are measured at fair value

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services as at the date of respective transactions.

2.2 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 2.3. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3 Critical accounting estimates, assumptions and judgements

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 and future periods affected. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Significant judgements and estimates relating to the carrying values of assets and liabilities include, determination of estimated projected cost and revenue in long term contracts, determination of term of lease contracts, fair value measurement, impairment of goodwill, provision for employee benefits and other provisions, recoverability of deferred tax assets and commitments and contingencies.

2.3.1 Estimates and assumptions

A) Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

B). Provision for employee benefits

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the postemployment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate and past trends.

C). Provision for litigations and contingencies

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount. Due to the judgements involved in such estimations the provisions are sensitive to the actual outcome in future periods.

D). Provision

Significant estimates are involved in the determination of provisions related to liquidated damages, onerous contracts and warranty provision. The Company records a provision for onerous sales contracts when current estimates of total contract costs exceed expected contract revenue. Warranty provision is determined based on the historical trend of warranty expense for the same types of goods for which the warranty is currently being determined, after adjusting for unusual factors related to the goods that were sold or based on specific warranty clause in an agreement. Such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence. The provision for warranty, liquidated damages and onerous contracts is based on the best estimate required to settle the present obligation at the end of reporting period.

E). Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is

based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget 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.

F). Taxes

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous assessments and interpretations of tax regulations by the Company.

G). Leases: whether an arrangement contains a lease

The Company determines the lease term as the agreed tenure of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset)

2.4 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification

An asset is treated as current when it is:

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

All assets and liabilities have been classified as current or non- current as per the Company's operating cycle and other criteria set out in 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 realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non- current classification of assets and liabilities, except for long-term contracts. The projects business comprises long-term contracts which have an operating cycle exceeding one year. For classification of current assets and liabilities related to projects business, the Company uses the duration of the individual life cycle of the contract as its operating cycle.

A liability is current when:

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

Advance tax paid is classified as current assets

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

2.5 Foreign Currency

Functional currency

The functional currency of the Company is the Indian Rupee.

Transactions and translations Initial recognition transactions in foreign currencies are recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. The gains or losses resulting from such translations are recognised in the statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was measured. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

2.5 Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated if any. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Revenue is stated exclusive of goods and service tax and net of trade and quantity discount.

Liquidated damages / penalties are provided for as per the contract terms wherever there is a delayed delivery attributable to the Company.

A) Revenue from the sale of goods

Revenues are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

B) Revenue from sale of services

Revenue from services rendered over a period of time, such as annual maintenance contracts, are recognised on straight line basis over the period of the performance obligation.

C) Income from development services

Revenue from the development services is recognised as per the contract terms and when accrued. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

D) Export benefits

Export incentives receivable are accrued for, when the right to receive the credit is established and there is no significant uncertainty regarding the realisability of the incentive.

E) Other income

Interest income is recognised on time proportion basis.

Fair value gain on financial instruments is recognized using the effective interest method.

2.7 Income tax

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss.

A) Current tax

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

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

The Company offsets tax assets and tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

B) Deferred tax

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

2.8 Property, plant and equipment

Recognition and measurement

Freehold Land is carried at historical cost, all other item of property, plant and equipment is measured at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs are recognised in statement of profit or loss as incurred. The Company identifies and determines cost of each component/ part of property, plant and equipment separately, if the component/ part has a cost which is significant to the total cost of the property, plant and equipment and has useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and cost of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress is stated at cost less accumulated impairment loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset are derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

A) Depreciation

The Company depreciates property, plant and equipment over their estimated useful lives using the Written Down method. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

The estimated useful lives of assets are as follows:

Particulars	Years
Leasehold land	Over useful life
Building other than factory	60
Computers	
- Computers and other peripherals	3
-Software	3
Furniture & Fixtures	10
Vehicles	8
Office equipment	5
Plant & Machinery	15

The useful lives have been determined based on technical evaluation done by the management's expert which are in line those specified by Schedule II to the Companies Act 2013. The residual values are not more than 5% of the original cost of the asset. The depreciation methods, assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under Other Non-Current Assets and the cost of assets not put to use before such date is disclosed under 'Capital work-in-progress'.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

2.9 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a written down basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Amortization methods and useful lives are reviewed periodically including at each financial year end. The estimated useful lives for intangible assets are 3 years.

2.10 Inventories

Inventories consist of raw materials, work-in-progress, finished goods, stock-in-trade and stores an spares. Inventories are measured at the lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost.

The cost of various categories of inventories is arrived at as follows:

Stores, spares, raw materials, components and stock-in-trade - at rates determined on the moving weighted average method.

Goods in Transit – at actual cost. Work-in-progress and finished goods - at full absorption cost method which includes direct materials, direct labour and manufacturing overheads. Cost is determined on weighted average method.

Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Provision for obsolescence is made wherever necessary. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The factors that the Company considers in determining the provision for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

2.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.11.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

2.11.2 Subsequent measurement

A). Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business where the objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business where the objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts are initially measured at fair value and are subsequently measured at amortised

cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone 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

B). Derivative financial instruments

This category has derivative financial assets or liabilities which are not designated as hedges.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income / expenses. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

2.11.3 Impairment of Financial Assets

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

2.11.4 Derecognition of Financial Assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset ; or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. “

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset

2.12 Fair value measurement

The Company measures financial instruments at fair value at each Balance Sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

  The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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 categorized 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) market prices in 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.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.

The Company has a team comprising of members of senior management that determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for nonrecurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties and unquoted investments and financial assets, and significant liabilities, such as contingent consideration. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

2.13 Investment Properties

Property that is held for long term rental yields or for capital appreciation or for both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction cost and where applicable, borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any

Investment properties are de-recognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in Statement of Profit and Loss in the period of de-recognition.

2.14 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.15 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.15.1 Company as a lessee

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

i) Right-of- use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of-use assets in the nature of buildings are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying asset. The right-of-use assets comprising of land is depreciated based on the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii) Lease Liabilities

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

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

2.15.2 Company 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 arising is accounted for on a straight-line basis over the lease terms. 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.

2.16 Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A) Warranty Provisions

Provision for assurance type warranty-related costs are recognised when the product is sold or service is provided to customer. Initial recognition is based on historical experience. The Company periodically reviews the adequacy of product warranties and adjust warranty percentage and warranty provisions for actual experience, if necessary. The timing of outflow is expected to be with in one to five years.

B) Decommissioning Liability

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset.

C) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

2.17 Retirement and other employee benefits

A) Defined benefit Plan

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

B) Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

C) Short-term Obligations

Liabilities for wages, salaries and bonus, including non-monetary benefits that are expected to be settled wholly within 3 months after the end of the period in which the employees render the related service are recognised in respect of employees'

services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

D) Post-Employment Obligations

The Company operates the following post-employment schemes:

- defined benefit plans for gratuity, and
- defined contribution plans for provident fund.

2.18 Investment in Subsidiaries

The investment in subsidiaries, associate and Joint venture are carried at cost as per Ind AS 27.

2.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management. The Management monitors the operating results of all strategic business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

2.20 Cash and cash equivalent

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and shortterm deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

2.21 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.22 Finance costs

Borrowing costs are recognised in the statement of profit and loss using the effective interest method. The associated cash flows are classified as financing activities in the statement of cash flows.

2.23 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR as per the requirement of Schedule III, unless otherwise stated.

2.24 Earning Per share

A) Basic EPS

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

B) Diluted EPS

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.

2.25 Approval of Financial Statements

The financial statements were approved for issue by the board of directors on May, 7,2023

NOTE 3. Property, plant and equipment

Particulars	Property plant and equipment										Intangible Assets		Total
	Leasehold land	Freehold land	Building	Machinery	Computer & Printers	Furniture & Fixtures	Vehicles	Electric Vehicle Equipments	Other Equipments	Total	Computer Software	Total	
Deemed cost- as on 1 April 2021	**304.52**	**5.21**	**699.01**	**196.55**	**83.41**	**70.65**	**197.25**	**-**	**67.21**	**1,623.80**	**52.56**	**52.56**	**1,676.37**
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2022	**304.52**	**5.21**	**699.01**	**196.55**	**83.41**	**70.65**	**197.25**	**-**	**67.21**	**1,623.80**	**52.56**	**52.56**	**1,676.37**
Additions	-	469.30	387.20	72.82	21.04	2.15	183.08	3.19	3.91	1,142.68	-	-	1,142.68
Disposals	-	-	-	-	-0.13	-	-84.01	-	-	-84.13	-	-	-84.13
As at 31 March 2023	**304.52**	**474.51**	**1,086.21**	**269.37**	**104.32**	**72.80**	**296.32**	**3.19**	**71.12**	**2,682.35**	**52.56**	**52.56**	**2,734.91**
Accumulated Depreciation												**-**	**-**
As At 31 March 2022	105.59	-	184.99	97.82	60.00	58.41	134.39		57.95	699.16	17.29	17.29	716.46
For the year	86.27	-	30.79	21.04	19.63	3.57	21.86	1.60	4.16	188.92	19.64	19.64	208.56
Disposals	-	-	-	-	-	-	-73.23	-	-	-73.23			-73.23
As At 31 March 2023	**191.87**	**-**	**215.79**	**118.86**	**79.63**	**61.98**	**83.02**	**1.60**	**62.11**	**814.86**	**36.93**	**36.93**	**851.79**
Net Carrying value as at 31 March 2023	**112.65**	**474.51**	**870.42**	**150.50**	**24.69**	**10.82**	**213.30**	**1.59**	**9.01**	**1,867.49**	**15.63**	**15.63**	**1,883.12**
Net Carrying value as at 31 March 2022	**198.92**	**5.21**	**514.02**	**98.73**	**28.69**	**12.24**	**62.86**	**-**	**3.97**	**924.65**	**35.27**	**35.27**	**959.92**
Intangible Assets under Development											**49.00**	**49.00**	**49.00**

NOTE 4 : INVESTMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Investments in subsidiaries (unquoted) (Carried at cost)		
Rebreathe Medical Devices India Private Limited	14.25	14.25
(1,42,500 Equity Shares of Rs 10 each fully paid)		
Techbec Industries Limited	6.35	-
(63,500 Equity Shares of Rs 10 each fully paid)		
Techbec Global Solutions Pvt. Ltd.-Investment	6.35	-
(63,500 Equity Shares of Rs 10 each fully paid)		
Total Non-Current Investments in Shares	**26.95**	**14.25**
Other Investments		
Investment In Properties	218.93	218.93
Total Non- Current Investments in Properties	**218.93**	**218.93**
Total Invetments	**245.88**	**233.18**

Investments are Unquoted , At Cost , Fully Paid up . Investments are measured at Cost as Per IND AS 27 "Separate Financial Statement .

NOTE 5 : DEFERRED TAX ASSETS (NET)

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2023	As at March 31, 2022
Property, plant and equipment, capital work in progress and intangible assets	(4.04)	13.51
Brought Forward Balance	-	-
Leased Laibility	(4.24)	(3.93)
Employee benefits	(16.29)	(12.33)
MAT Credits	-	-
Interest/Loan Equilisation	1.71	2.00
Others	0.74	(0.04)
Total Deferred Tax Assets (Net)	**(22.12)**	**(0.79)**

NOTE 6 : OTHERS CURRENT/NON-CURRENT ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Security Deposits	51.62	48.68
Loans & Advances	322.88	-
Retention and Performance Gurantee	1,087.98	1,369.79
Total other non-current assets	**1,462.48**	**1,418.47**

Notes:

(i) *During the year company has given Loan of Rs 322.88 Lakhs @7.5% p.a., to its subsidiary, Techbec Global Solutions Pvt Ltd, as a working caplital facility. Such loan is to be utilised by subsidiary for its principal business activities .*

(ii) There are no loans as at March 31, 2023 and March 31, 2022 which have significant increase in credit risk or which are credit impaired.

(iii) Loans are non-derivative financial instruments which generate a fixed or variable or variable interest income for the Company. The carrying value may be affected by the changes in the credit risk of the counter parties.

(₹ in Lakhs)

Current	**As at March 31, 2023**	As at March 31, 2022
Advance to suppliers, staff and Others	130.56	378.19
Prepaid Expenses	48.49	43.72
Advance Taxes/TDS/TCS	247.40	**104.16**
Total other current assets	426.45	526.07
Total others	**1,888.93**	**1,944.54**

NOTE 7 : INVENTORIES

(valued at lower of cost and net realisable value)

Particulars	**As at March 31, 2023**	As at March 31, 2022
Additional Information		
(As taken, valued and certified by the management)		
Stock-in-Trade		
Raw Materials	704.47	624.21
Work-in-Process	114.94	103.63
Finished Goods / Trading Goods	638.50	490.77
Total inventories	**1,457.91**	**1,218.60**

Note:

Inventories are hypothecated with the banks against working capital limits and non fund facilities availed from lenders.

NOTE 8 : TRADE RECEIVABLE

Particulars	**As at March 31, 2023**	As at March 31, 2022
Secured, considered good		
Unsecured, considered good	8,149.14	2,800.09
Doubtful	148.07	740.19
	8,297.21	**3,540.28**
Total Receivable	2,726.87	4,038.78
The following are the contract balances:		
Current portion	7,856.28	2,726.87
Non-Current portion	440.92	813.41
Total	**8,297.21**	**3,540.28**

Note

Trade receivables are generally on terms of 15 to 90 days and are non interest bearing except in case of overdue payments.

Particulars	Outstanding for following periods from due date of payment (as at March 31, 2023)					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	7,583.76	272.53	169.77	2.61	120.48	8,149.14
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables– considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	148.07	148.07
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**7,583.76**	**272.53**	**169.77**	**2.61**	**268.55**	**8,297.21**

Particulars	Outstanding for following periods from due date of payment (as at March 31, 2022)					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	2,491.11	93.35	3.35	7.62	204.66	2,800.09
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables– considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-			-
Disputed Trade Receivables – credit impaired	57.29	85.12	226.18	200.12	171.48	740.19
Total	**2,548.40**	**178.48**	**229.53**	**207.74**	**376.14**	**3,540.28**

NOTE 9 : CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
on current accounts	1,175.98	501.01
Cash on hand	0.96	8.88
Total Cash and Cash Equivalents	**1,176.94**	**509.89**

OTHER BANK BALANCES

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits	322.31	270.21
Total Other Bank Balances	**322.31**	**270.21**

NOTE -10 : EQUITY SHARE CAPITAL AND OTHER EQUITY

Share Capital

Authorised Share Capital

(Rs. in lacs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	**Amount**	No. of Shares	Amount
Authorised				
Equity Shares of Rs.2/- each	**110,000,000**	**2,200**	**22,000,000**	**2,200**
(11,00,00,000 Equity shares of Rs. 2/- each)				
(Previously 10 each)				
Issued, Subscribed & paid-up Capital				
Equity shares of Rs. 2/- each fully paid-up	**106,327,145**	**2,127**	**18,665,429**	**1,867**
(10,63,27,145 Equity shares of Rs. 2/- each)				
(Previously 10 each)				
Total	**106,327,145**	**2,127**	**18,665,429.00**	**1,867**

A) Reconciliation of number of Ordinary Shares outstanding:

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	**Amount**	No. of Shares	Amount
As at beginning of the year	183.10	1,831.04	183.10	1,831.04
Issued during the year	3.55	35.50	-	-
As at end of the year	**186.65**	**1,866.54**	**183.10**	**1,831.04**

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ` 2/-. (previously 10 each) Each holder of equity shares is entitled to one vote per share and is entitled to dividend declared, if any. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the company after distribution of all preferential amounts in proportion of equity shares held by the shareholders.

Details of shareholders holding more than 5% shares in the Company

Name of Shareholders	As at 31 March 2023		As at 31 March 2022	
	Number of shares	**Percentage holding**	Number of shares	Percentage holding
Mr. Raman Bhatia	33,503,450	**31.51%**	6,698,765	35.89%
M/s Raman Bhatia HUF	15,555,275	**14.63%**	3,123,055	16.73%
Ms. Sarika Bhatia	12,898,375	**12.13%**	2,579,675	13.82%

The Company has split its share face value from Rs 10/- to Rs 2/- during the year vide resolution dated 7th December 2022.

Equity Shares held by promoters at the end of the year

Name of Promoter	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of Total Shares	Number of shares	% of Total Shares
Promoter				
Mr. Raman Bhatia	33,503,450	31.51%	6,698,765	35.89%
Ms. Sarika Bhatia	12,898,375	12.13%	2,579,675	13.82%
Promoter Group				
M/s Raman Bhatia HUF	15,555,275	14.63%	3,123,055	16.73%
Mr. Manohar Lal Bhatia	1,401,875	1.32%	284,375	1.52%
Mr. Vikas Bhatia	26,500	0.02%	5,000	0.03%
Ms. Sudesh Bhatia	9,375	0.01%	1,875	0.01%
Mr. Rishabh Bhatia	509,000	0.48%	101,800	0.55%
Mr. Kanav Bhatia	534,000	0.50%	106,800	0.57%

Other Equity

Particulars	As at 31 March 2023	As at 31 March 2022
Securities premium	3,503.96	1,345.96
Retained earnings	2,391.95	1,375.13
Share warrant	98.81	
Total reserve and surplus	**5,994.73**	**2,721.09**

Securities Premium

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	1,345.96	1,018.79
Received/Utilized during the Year	2,158.00	327.17
Closing balance	**3,503.96**	**1,345.96**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Retained Earnings

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	1,375.13	1,093.61
Net profit for the period	1,057.17	281.44
Less :-		
Dividend Paid	(42.53)	(36.62)
INDAS - Adjustment	(0.17)	-
OCI Income/Adjustment	2.35	(45.69)
Closing balance	**2,391.95**	**1,375.13**

Share Warrant

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	-	-
Received/Utilized during the Year	98.81	
Closing balance	**98.81**	**-**

Distribution Made and Proposed

Particulars	As at 31 March 2023	As at 31 March 2022
Dividend on equity shares proposed and paid:		-
Interim dividend during the 2022-23 0.20 per share of face of Rs 10 each	42.53	-
	42.53	**-**

Note:

During the year the Board of the Directors of the company has recommend the payment of interim dividend of Re 0.20 per equity shares of face value of Rs 10each , on 21st January 2023. The Divident was paid to those members whose name was appears in the register of membersas on Record date 3rd February 2023. Such Interim dividend was paid out of profit made during the year 2022-2023.

NOTE 11 : NON-CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Secured from banks		
i) From Bank	749.20	645.92
ii) From Non Banking Companies	1.59	1.59
Unsecured from banks		
i) From Bank	-	-
ii) From Non Banking Companies	-	-
Total Non current borrowings	**750.79**	**647.51**

Secured borrowings and assets pledged as security

1) Various banks had sanctioned vehicle loans on different dates of Rs. 231.79 Lacs (Previous year Rs. 112.34 Lacs) secured against hypothecation of vehicles and personal guarantees of directors. The said loans are repayable upto 68 installments of different amounts and payable on different dates. Outstanding balance as on 31.03.2023 was Rs. 27.55 Lacs (Previous year Rs. 45.91 Lacs) , Payable within One year Rs. 16.95 Lacs (Previous year Rs. 19.35 Lacs) .

2) Non banking finance company had sanctioned vehicle loan of Rs. 63.10 Lacs (Previous year Rs. 63.10 Lacs) on 13th of December 2017, said loan is secured against hypothecation of vehicle and personal guarantees of directors. The said loan is repayable in 65 equal installments. Outstanding balance as on 31.03.2023 was Rs. 1.59 Lacs (Previous year Rs. 17.00 Lacs) , Payable within one year Rs. 1.59 Lacs (Previous year Rs. 15.42 Lacs).

3) ICICI Bank had sanctioned Term loan of Rs. 600.00 Lacs on 01.12.2022. Such loan is secured against equitable mortgaged of commercial property situated (Killa No- 14/6/1/2(0-3), Village- Safiabad, Tehsil-Rai, Sonepat-231029) and personal guarantees of directors. The said loan is repayable in upto 84 equal monthly installments.Outstanding balance as on 31.03.2023 was Rs. 571.71 Lacs (Previous year-NIL) , Payable within one year Rs 85.71 Lacs (Previous year-NIL) .

4) Punjab National Bank had sanctioned working capital term loan of Rs. 247 Lacs on 18.07.2020 under GECL Scheme to meet operational liabilities and restart the business effected due to COVID-19. The loan is secured on Terms & Conditions as mentioned in Note no.6 below. The loan is repayable in 36 installments after one year moratorium period. Outstanding as on 31.03.2023 was Rs. 102.13 Lacs (Previous year Rs. 176.85 Lacs) payable within one year Rs. 78.00 Lacs (Previous year Rs. 82.33 Lacs)

5) 5) Punjab National Bank had sanctioned working capital term loan of Rs. 172.96 Lacs on 15.12.2021 under GECL Scheme to meet operational liabilities. The loan is secured on Terms & Conditions as mentioned. The loan is repayable in 36 installments after 2 years moratorium period. Outstanding as on 31.03.2023 was Rs. 173.94 Lacs (Previous year Rs. 171.73) payable within one year Rs. 14.41 (Previous year Rs. NIL)

CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Secured from banks		
i) From Bank	3,254.81	1,128.34
ii) From Non Banking Companies	99.87	-
iii) Current Maturity of Long Term Debt	122.79	143.66
Unsecured from banks		
i) From Bank	-	-
ii) From Non Banking Companies	-	-
Total Non current borrowings	**3,477.47**	**1,272.00**

*Punjab National Bank had renewed fund based limit of Rs 626 Lacs (Previous year Rs 626 Lacs) towards Cash Credit and non fund based limit of Rs.1150 Lacs (Previous year Rs 1150 Lacs) towards Bank Guarantee/Letter of Credit with interchangeability of Rs.274 Lacs from LC to CC on 30.09.2021. These limit are secured against hypothecation of inventories, books debts (except IOCL and IHB debtors which is financed by HDFC Bank), other current assets, fixed deposits of Rs. 5 Lacs and RD of Rs. 23.23 Lacs, Plant and machineries and all other fixed assets of the company, besides equitable mortgage of properties of company and its directors along with their personal guarantees. All securities are having pari passu charge with HDFC Bank.

*HDFC Bank had sanctioned Fund Based Limit of Rs.900 Lacs (Cash Credit Limit of Rs 400 Lacs and Working Capital Demand Loan of Rs 500 Lacs) and Non Fund Based Limit of Rs 1350 Lacs towards Bank Guarantee/Letter of Credit on 02.09.2021. These limit are secured by Exchange of Pari passu charge on current assets and properties of company with Punjab National Bank and exclusive charge on Book Debts of IOCL and IHB against whom working capital demand loan of Rs 500 Lacs was sanctioned and exclusive charge on FDR issued as cash margin against BG/LC.

*ICICI Bank had sanctioned Fund Based Limit of Rs.1400 Lacs (Cash Credit Limit of Rs 1400 Lacs and Working Capital Demand Loan of Rs 800 Lacs against sublimit of Cash Credit), Non Fund Based Limit of Rs 200 Lacs towards Bank Guarantee/Letter of Credit against sublimit of Cash Credit and Rs 1300 Lacs towards Term Loan of on 28.03.2023. These limit are secured by Exchange of Pari passu charge on current assets against whom working capital demand loan of Rs 800 Lacs was sanctioned.

NOTE 12 : OTHER NON CURRENT LIABILITIES

Particulars	As at 31 March 2023	As at 31 March 2022
Security Received From Customers	-	1.20
Lease Liability	126.90	214.00
Total other Non current liabilities	**126.90**	**215.20**

NOTE 13 : PROVISIONS

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current		
Provisions for Gratuity	46.50	36.59
Total	**46.50**	**36.59**
Current		
Provisions for Gratuity	21.54	15.72
Provision for Taxation	340.79	126.40
Others	0.76	-
Total	**363.09**	**142.12**

NOTE 14 : TRADE PAYABLES

(carried at amortised cost)

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Total outstanding dues of micro enterprises and small enterprises	0.03	25.60
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,645.51	1,170.65
(c) Disputed (Others)	1.03	-
Total	**1,646.56**	**1,196.26**
Current portion	1,639.18	962.74
Non-Current portion	**7.38**	**233.51**

As at 31st March 2023

Particulars	Outstanding for following periods from due date of payment (as at March 31, 2023)				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
i) MSME	-	0.03	-	-	**0.03**
ii) Others	1,639.18	-	6.32	-	**1,645.51**
iii) Disputed Dues - MSME	-	-	-	-	**-**
iv) Disputed Dues - Others	-	-	-	1.03	**1.03**
Total	**1,639.18**	**0.03**	**6.32**	**1.03**	**1,646.56**

As at 31st March 2021

Particulars	Outstanding for following periods from due date of payment (as at March 31, 2022)				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
i) MSME	1.34	-	-	-	**1.34**
ii) Others	846.30	50.71	1.31	14.93	**913.25**
iii) Disputed Dues - MSME	-	0.03	21.83	2.40	**24.26**
iv) Disputed Dues - Others	115.10	-	34.18	108.12	**257.40**
Total	**962.74**	**50.75**	**57.32**	**125.45**	**1,196.26**

(i) Trade payables are non interest bearing and are normally settled in 7 days to 120 days. For explanations on the Company's risk management process.

(ii) Trade payables are unsecured .

(iii) Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 no diclosure need due to nominal value of transaction during the year

NOTE 15 : OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2023	As at 31 March 2022
Security Received	10.50	-
Advance From Customer	50.35	127.95
Expenses Payable	108.26	176.35
Contract Liability Against Sales	609.59	260.21
Other Current liabilities	1.20	-
Statutory Liabilities Payable	30.95	15.60
Total Other Current Liabilities	**810.85**	**580.11**

NOTE 16 : REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
A) Manufactured & Trading Sales (Domestic)		
Domestic	24,024.09	12,839.90
Export Sale	-	191.31
B) Sale of Service	891.11	338.75
	-	-
Net gain / (loss) on settlement of commodity forward/Future contract	24,915.20	13,369.96
Total revenue from operations	**13,369.97**	**8,699.44**

Performance obligation

The performance obligation for sale of products and scrap are satisfied upon delivery/dispatch of goods depending upon terms with customers and payment is generally due within 15 to 90 days from delivery. Some contracts provide customers with a right of return, volume discount, rebates and other promotion incentive schemes, which gives rise to variable consideration subject to constraint. The contracts do not have a significant financing component. The company offers standard warranty on selected products. The company makes provisions for same as per principles laid down under Ind AS-37. The performance obligation for the product repair services is satisfied over the period of time and payment is generally due upon completion of service and acceptance of the customer. There are no unsatisfied or partially satisfied performance obligation as at March 31, 2023 and March 31, 2022. During the year ended March 31, 2023, revenue recognised from amount included in contract liability at the beginning of the year.

NOTE 17 : OTHER INCOME

Particulars	As at 31 March 2023	As at 31 March 2022
Interest Income & Others Non-operating income		
Duty Draw Back Recevable (Income)	(0.11)	-
Interest received	10.64	15.79
Miscellaneous Income	4.30	1.66
Rebate & discount	2.25	32.80
Rent Received	23.72	6.20
Total Other income	**40.81**	**56.46**

NOTE 18 : COST OF MATERIAL CONSUMED

Particulars	As at 31 March 2023	As at 31 March 2022
Opening Stock	624.21	629.68
Add : Purchases	20,523.66	11,253.52
	21,147.87	11,883.20
Less : Closing Stock	704.47	624.21
Total Cost of Material Consumed	**20,443.41**	**11,258.98**

NOTE 19 : CHANGES IN INVENTORIES

Particulars	As at 31 March 2023	As at 31 March 2022
Closing Balance		
Traded goods	638.50	490.77
WIP	114.94	103.63
Total Closing balance	**753.44**	**594.39**
Opening Balance		
Traded goods	490.77	855.72
WIP	103.63	40.49
Total Opening Balance	**594.39**	**896.21**
Total changes in inventories of stock-in-trade	**(159.05)**	**301.81**

NOTE 20 : EMPLOYEE BENEFIT EXPENSE

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Salaries, wages and bonus	831.13	435.83
Director Remuneration	81.33	70.06
Gratuity	3.72	8.07
Staff welfare expenses	32.02	23.01
Total employee benefit expense	**948.20**	**536.97**

Notes:

(i) The code of Social Security, 2020 (Code) relating to employee benefits during employment and post- eemployment benefits received Presidential assent in September 2020. The Code has been published in the Gezette of India. However, the date on which the Code will come into effect vhas not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the code becomes effectvive.

NOTE 21 : FINANCE COSTS

Particulars	As at 31 March 2023	As at 31 March 2022
Interest and finance charges	252.73	180.13
Bank Charges and Other Interest Charges	29.72	64.80
Difference in Currency Fluctuation	(44.28)	-
Total Finance costs expense	**238.17**	**244.93**

Note: The amount capitalised represents finance cost on specific borrowings relating to advances given against building.

NOTE 22 :DEPRECIATION AND AMORTISATION EXPENSE

Particulars	As at 31 March 2023	As at 31 March 2022
Depreciation of property, plant and equipment & Impairment	208.56	156.88
Total depreciation and amortisation expense	**208.56**	**156.88**

NOTE 23 : OTHER EXPENSES

Particulars	As at 31 March 2023	As at 31 March 2022
Operational Expenses		
Freight , forwarding & others	14.69	17.73
Consumables	-	0.19
Job Work Charges	0.05	0.61
Repairs & Installation Charges	126.28	30.25
Power & Fuel	10.01	7.84
	151.03	**56.62**
Administrative Expenses		
Bad Debts	930.59	-
Printing and stationery	5.47	4.26
Rent	0.86	1.77
Postage, telegram and telephone expenses	7.51	20.25
Computer and IT Expenses	21.85	19.47
Office Maintenance Expenses	31.05	2.74

Particulars	As at 31 March 2023	As at 31 March 2022
Travelling and conveyance (Including Directors Tour & Travelling) "	145.30	36.55
Legal and professional and consultancy charges	178.72	32.91
Fees and subscription	21.90	17.56
Insurance expenses	**7.21**	**5.09**
Repairs and maintenance	6.39	16.65
Vehicle maintenance	7.14	6.76
General expenses	81.91	19.55
Audit Fees	4.30	4.00
	1,450.21	**187.54**
Selling & Distribution Expenses		
Freight & labour charges	163.95	62.53
Commission paid	2.37	9.03
Liquidation damage	11.50	30.35
Research & Development Expenses	22.49	8.84
Tender Fees	0.09	1.91
Business promotion	69.79	20.60
Advertisement	25.13	20.56
Discount on sale	0.69	0.69
Warranty expenses	3.63	16.83
	299.63	171.34
Total other expenses	**1,900.87**	**415.50**

NOTE 24 : FAIR VALUE MEASUREMENTS

NOTE -24.1 : FINANCIAL INSTRUMENT BY CATEGORY & FAIR VALUE HIERARCHY

Particulars	FVPL/ FVOCI/ Amortised cost	31st March 2023					
		Level 1		Level 2		Level 3	
		Carrying cost	fair value	Carrying cost	fair value	Carrying cost	fair value
Financial assets							
Trade receivables	Amortised cost	-	-	-	-	8,297.21	8,297.21
Cash and cash equivalents	Amortised cost	-	-	-	-	1,176.94	1,176.94
Other Bank Balances	Amortised cost	-	-	-	-	322.31	322.31
Other finanical assets	Amortised cost	-		-	-	453.40	453.40
Total financial assets		**-**	**-**	**-**	**-**	**10,249.86**	**10,249.86**
Financial liability							
Borrowings	Amortised cost					4,228.26	4,228.26
Trade and other payables	Amortised cost					2,866.99	2,866.99
Total financial liability		**-**		**-**		**7,095.25**	**7,095.25**

Particulars	FVPL/	31st March 2022					
	FVOCI/	Level 1		Level 2		Level 3	
	Amortised cost	Carrying cost	fair value	Carrying cost	fair value	Carrying cost	fair value
Financial assets							
Trade receivables	Amortised cost	-	-	-	-	3,540.28	3,540.28
Cash and cash equivalents	Amortised cost	-	-	-	-	509.89	509.89
Other Bank Balances	Amortised cost	-	-	-	-	270.21	270.21
Other finanical assets	Amortised cost	-		-	-	540.32	540.32
Total financial assets		**-**	**-**	**-**	**-**	**4,860.69**	**4,860.69**
Financial liability							
Borrowings	Amortised cost					1,919.50	1,919.50
Trade and other payables	Amortised cost					1,448.05	1,448.05
Total financial liability		**-**		**-**		**3,367.55**	**3,367.55**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price and are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level3.

NOTE 24.2 : VALUATION TECHNIQUE USED TO DETERMINE FAIR VALUE

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices

NOTE 24.3 : FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST

The carrying amounts of financial assets comprising trade receivables, cash and cash equivalents, fixed deposits with banks, security and other deposits and carrying value of financial liabilities comprising borrowings and trade paybles and other payables are considered to be the same as their fair values, due to their short-term nature and covered under level 3 category.

NOTE 25 : FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance, derivative financial instruments, such as foreign exchange forward contracts and commodity forward contracts, are entered to hedge certain foreign currency risk exposures and commodity price risk exposures.

This note explains the sources of risk which the Company is exposed to and how such risk were managed.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

Market risk — foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
Market risk — commodity price	Future commercial transactions	Cash flow forecasting Sensitivity analysis	Forward commodity contracts

The Company's risk management is carried out by a central treasury department under policies approved by the board of directors. The Company treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, commodity price risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

NOTE 25.1 CREDIT RISK MANAGEMENT

The risk of financial loss due to counterparty's failure to honour its obligations arises principally in relation to transactions where the Company provides goods on deferred terms.

The Company's policies are aimed at minimising such losses, and require that deferred terms are granted only to customers who demonstrate an appropriate payment history and satisfy creditworthiness procedures. Individual exposures are monitored with customers subject to credit limits to ensure that the Company's exposure to bad debts is not significant. The maximum exposure to credit risk regarding financial assets is the carrying amount as disclosed in the balance sheet. With respect to credit risk arising from all other financial assets of the Company, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the corresponding carrying amount of these instruments.

On account of the adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as historical experience for customers. The Company's receivable are high quality with negligible credit risk and the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil. Accordingly, no provision for expected credit loss is recognised.

The following table provides information about the exposure to credit risk for trade receivables from individual customers.

31st March 2023

(Unsecured, considered good unless otherwise specified)

Particulars	Outstanding for following periods					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	7,583.76	272.53	169.77	2.61	120.48	8,149.14
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables– considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	148.07	148.07
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**7,583.76**	**272.53**	**169.77**	**2.61**	**268.55**	**8,297.21**

31st March 2022

(Unsecured, considered good unless otherwise specified)

Particulars	Outstanding for following periods					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables						
Considered good	2,491.11	93.35	3.35	7.62	204.66	**2,800.09**
ii) Undisputed Trade Receivables -						
Considered doubtful	-	-	-	-	-	**-**
ii) Disputed Trade Receivables -						
Considered good	-	-	-	-	-	**-**
iv) Disputed Trade Receivables -						
Considered doubtful	57.29	85.12	226.18	200.12	171.48	**740.19**
Total	**2,548.40**	**178.48**	**229.53**	**207.74**	**376.14**	**3,540.28**

NOTE 25.2 LIQUIDITY RISK MANAGEMENT

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31 March 2023	As at 31 March 2022
Working capital – fund based	**3,255**	**1,128**
Total borrowing facilities	**3,255**	**1,128**

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12months equal their carrying balances as the impact of discounting is not significant.

As at 31st March 2023	Less than 3 months	6 Less than 12 months	More than 12 months
Non- derivative			
Borrowings	-	3,477	751
Trade payable	-	1,639	7
Total non-derivative liabilities	**-**	**5,117**	**758**

As at 31st March 2022	Less than 3 months	6 Less than 12 months	More than 12 months
Non- derivative			
Borrowings	-	1,272	648
Trade payable	-	963	234
Total non-derivative liabilities	**-**	**2,235**	**881**

NOTE 25.3 MARKET RISK MANAGEMENT

INTEREST RATE RISK

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31 March 2017 and 31 March 2016, the Company's borrowings at variable rate were mainly denominated in INR.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The long term variable interest rate borrowings are not significant and accordingly, no such sensitivity for interest rate cash flow has been disclosed.

PRICE RISK

The Company's significant exposure for price risk is relating to commodity forward contracts. However, no open commodity forward contract is outstanding as on the reporting date and accordingly, doesn't have related price risk.

NOTE 26 : CAPITAL MANAGEMENT

NOTE 26.1

RISK MANAGEMENT

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company issue new shares. Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet.

The gearing ratios were as follows:

Particulars	As at 31 March 2023	As at 31 March 2023
Net debt	**4228.26**	**1919.50**
Total equity	**8121.27**	**4587.63**
Net debt to equity ratio	**0.52**	**0.42**

NOTE 26 : 2 LOAN COVENANTS

The Company has complied with all loan covenants required under borrowing facilities.

NOTE : 27 RELATED PARTY TRANSACTIONS

NOTE : 27.1 CONTROLLING SHAREHOLDERS

Mr. Raman Bhatia

M/s Raman Bhatia HUF

Ms. Sarika Bhatia

NOTE : 27.2 FELLOW SUBSIDIARIES

Rebreathe Medical Devices India Private Limited

Techbec Industries Limited

Techbec Global Solutions Pvt. Ltd.-Investment

Associate Company

NIL

NOTE 27.3 KEY MANAGEMENT PERSONNEL AND THEIR RELATIVE

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over those entities. A number of these personnel transacted with the Company during the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel related entities on an arm's length basis.

Name of key management personnel, their relatives and entities over which they have control or significant influence with whom transaction were entered during the year or balance was outstanding at the balance sheet date are as follows:

Key management personnel and relatives:

Mr. Raman Bhatia

Ms. Sarika Bhatia

Mr.Vikas Bhatia

Mr.Nimesh Malhotra

Ms.Priya Pandey

Dr. Rajesh Mohan Rai

NOTE 27.4 TRANSACTION WITH RELATED PARTIES

The details of the related-party transactions entered into by the Company for the years ended 31st March 2023 and 31st March 2022 are as follows::

Name of Related Party	Relationship	Nature of Transaction	Opening	Debit	Credit	Balance
Raman Bhatia	Managing Director	Remuneration	2.50	40.00	39.00	3.50
		Tour Advance	1.65	6.21	3.84	4.02
		Other Advances Paid	0.18	23.54	23.97	(0.25)
Sarika Bhatia	Whole Time Director	Remuneration	2.25	32.25	31.00	3.50
		Tour Advance	(0.00)	2.05	0.71	1.34
		Other Advances Paid	(0.09)	2.03	1.94	-
Nimesh Malhotra	Whole Time Director	Remuneration	1.13	6.83	7.95	-
		Other Advances Paid	-	2.60	2.60	-
Anupam Gupta	Director	Retainership fee		6.99	6.99	-
Rajesh Mohan Rai	Director	Remuneration	-	6.00	4.19	1.80
Vikash Bhatia	Chief Financial Officer	Salary	1.14	11.52	11.70	0.96
		Sales (incl. Taxes)	-			-
		Tour Advance	0.12	1.98	1.99	0.11
		Other Advances Paid	-	-	-	-

Priya Pandey	Company Secretary	Salary	0.52	6.73	6.65	0.60
Service Solution	Entity in which director(s) or their relatives are interested	Sales (incl. Taxes)	30.50	541.89	271.22	301.17
		Purchases (incl. Taxes)	76.74	443.87	520.59	0.02
Bhatia Electronics	Entity in which director(s) or their relatives are interested	Sales (incl. Taxes)	157.79	1,358.12	613.08	902.83
		Purchases (incl. Taxes)	81.94	403.11	485.06	0.00
Bab Louie India LLP	Entity in which director(s) or their relatives are interested	Sales (incl. Taxes)	-	0.47	0.40	0.07
Techbec Industries Limited	Subsidiary	Investment	-	6.56	0.21	6.35
Techbec Global Solution Private Limited Limited	Subsidiary	Sales (incl. Taxes)	-	25.77	20.60	5.16
		Purchases (incl. Taxes)		10.12	91.85	(81.73)
		Investment	-	6.35		6.35
		Loan & Advance		322.88		322.88
		Security Deposit-Rent			10.50	(10.50)
Rebreathe Medical Devices India Private Limited	Subsidiary	Investment	14			14.25
		Purchases (incl. Taxes)	(334)	1.75	1,913.94	(2,245.71)
		Sales (incl. Taxes)	367	2,078.48	1.55	2,443.48

NOTE : 28 SEGMENT INFORMATION

Description of segments and principal activities

The Company's operations primarily comprise of Dealing in Commodities, Commodity Derivatives broadly falling in one segment as such there is no other reportable business segment as specified by Ind AS 109 issued by The Institute of Chartered Accountants of India..

The Geographical Segments considered for disclosure are Sales within India Sales outside India

Geographical Segment (based on Location of Customers)

Particulars	2022-23 ` in Lacs	2021-22 ` in Lacs
Segment Assets		
- within India	15,343.42	8,677.41
- outside India	-	-
	15,343.42	**8,677.41**
Segment Revenue		
- within India	24,956.00	13,426.42
- outside India		-
	24,956.00	**13,426.42**

NOTE : 29 EARNINGS PER SHARE

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share as well as diluted earnings per share calculation are as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Profit (loss) attributable to equity shareholders	1,059.53	367.11
Paid-Up Equity Share Capital (Face Value of Share Rs.2/-)	1063.27	933.27
Basic earnings per share	**1.00**	**0.39**
Diluted Earning Per Share	**1.07**	**0.37**

NOTE : 30 CONTINGENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Claims against the Company not acknowledged as debts	132.38	126.34
Outstanding Letter of Credit	419.15	642.06
Guarantees		
Guarantees issued by banks on behalf of the Company	1767.58	1052.41
Total contingent liabilities	**2319.11**	**1820.81**

NOTE : 31 NON-CANCELLABLE OPERATING LEASES

The operating leases entered by the Company are cancellable on serving a notice of one to three months and accordingly, there are no non-cancellable operating leases required commitments for operating lease payments.

NOTE : 32 ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Financial assets		
- Cash & cash equivalents	-	-
Non-financial assets		
- Inventories	1457.91	1218.60
Total current assets pledged as security	**1,457.91**	**1,218.60**
Non-current		
Non-financial assets		
- Property, plant and equipment	1,339.72	538.93
Total non-current assets pledged as security	**1,339.72**	**538.93**
Total assets pledged as security	**2,797.63**	**1,757.53**

NOTE : 33 OTHER MATTERS

Particulars	As at 31 March 2023	As at 31 March 2022
CIF Value of Imports		
Raw Material	**3565.69**	**1337.94**
FOB Value of Exports	-	191.31
Income in Foreign Currencies	-	190.53

Particulars	As at 31 March 2023	As at 31 March 2022
Expenditure in Foreign Currencies		
Raw Materials	3128.17	1113.46
Tour Advance & Advance Against Raw Material/Software License	8.17	1.86
Expenses	3.92	9.66
Asset (Software License)	0.44	51.75
Asset (Machinery)	136.72	-

Other Matters :-

(a) The VAT Department of Government of Haryana at Kundli had assessed the Sales Turnover of the company up to 30.06.2017 and created the demand of Rs.8.81 Lacs (Including Interest) for short submission of statutory forms on 12th March 2021. The Company paid the amount of Rs 2.28 lacs on 29th June,2020. Hence net demand of Rs 6.52 Lacs is payable as on balance sheet date. The company had charged the said amount to profit & loss account and reduce the advance payment Rs. 40.92 Lacs from the said Government Department .

(b) The income tax department has created demand of Rs 252.12 Lacs for the A.Y. 2017-18 on 26th of December 2019. The company had filed an appeal before Commissioner of Income Tax, New Delhi on 21st January 2020 and deposited Rs. 2.50 Lac against the same. The appeal is pending.

(c) The income tax department has created demand of Rs 143.36 Lacs for the A.Y. 2016-17 on 28th March 2022. The company had filed an appeal before Commissioner of Income Tax, New Delhi on 19th of April 2022. The appeal is pending.

(d) In the opinion of the Board, the current assets, loans and advances have a value on realization in the ordinary course of business, at least equal to the aggregate amount as shown in the Balance Sheet

(e) The company had received Rs. 50.35 Lacs from different customers against supply / to be supply of goods has been shown as advance from customers in books of accounts, will be adjusted against their outstanding after reconciliation of their accounts.

(f) The outstanding balances of sundry debtors ,creditors & securities are as per the books of accounts of the Company which are subject to confirmations and reconciliation, if any.

(g) Previous year figures have been regrouped/rearranged wherever found necessary.

(h) Note 1 to 33 are forming part of Balance Sheet, Profit & Loss & Cash Flow Statement and have been authenticated by the directors.

Significant accounting policies 1&2

Notes on Financial Statements

The accompanying notes are an integral part of standalone financial statements

For Rohit KC Jain & Co.
Chartered Accountants
FRN: 020422N

CA Rohit Jain
(Partner)
M.No.- 099444

Place: Delhi
Date : 07-05-2023
UDIN : 23099444BGXUX07296

For and on behalf of the Board of Directors of
Servotech Power Systems Limited

Raman Bhatia
(Managing Director)
DIN-00153827

Sarika Bhatia
(Whole-time Director)
DIN-00155602

Priya Pandey
(Company Secretary)
M.No.- 35815

Vikas Bhatia
(Chief Financial Officer)
PAN- AJNPB0303P

INDEPENDENT AUDITOR'S REPORT

To the Members of SERVOTECH POWER SYSTEMS LIMITED

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying Consolidated financial statements of Servotech Power System Limited ("the Company"), its Subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") which comprises the consolidated Balance Sheet as at 31st March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Change in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and Notes to the Consolidated financial statements, including a summary of 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, the aforesaid financial statements give the information required by the Companies Act, 2013 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 and other accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2023, the consolidated Profit, consolidated total 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 in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue from sale of products (as described in note 16 of the consolidated financial statements) The Holding Company's revenue principally comprises sale of goods. The revenue from sale of goods is recognised in accordance with the accounting principles prescribed under Ind AS 115, "Revenue from contracts with customers" and is measured at the transaction price net of trade discounts and volume rebates as per trade schemes, refund liabilities and taxes or duties collected on behalf of government authorities and is recognised at a point in time when the entity satisfies the performance obligation by transferring control of promised goods to customers. The control in respect of sale of goods is generally transferred when the products are delivered to customers in accordance with the terms of contract with customers. We have considered revenue recognition as a key audit matter as revenue is significant to the financial statements owing to its large volume and significant audit risk around revenue recognition requiring greater audit effort and attention on account of the risk of revenue being recorded in incorrect period and due to estimates involved in calculation of provision for trade schemes	Our audit procedures on revenue recognition included the following: • Understanding and evaluating the design and testing the operating effectiveness of Holding Company's controls around revenue recognition including accounting for trade discounts and volume rebates. • Assessing the Holding Company's accounting policy for revenue recognition including the policy for recording trade discounts and volume rebates in accordance with Ind AS 115 "Revenue from Contracts with Customers". • Selecting samples of revenue transactions during the year and inspecting underlying documents which included invoices, shipping documents/ customers' acceptance, as applicable, to determine that the revenue is recognised in accordance with the agreed terms. • Testing selected samples of revenue transactions recorded before and after the financial year end date to determine whether the revenue has been recognised in accordance with agreed terms, in the appropriate financial period. • Testing on a sample basis the calculation of the provisions for trade discounts and volume rebates at year end with approved trade schemes and underlying sales data, including testing of completeness and arithmetical accuracy of the data used by the Holding Company's Management. • Testing on a sample basis credit notes issued to customers/ payments made for incentives as per the approved trade schemes. Based on the above procedures performed, we did not identify any material exceptions in revenue recognition of sale of goods.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, Management Discussion and Analysis, Report on Corporate Governance and Business Responsibility and Sustainability Report but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the 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.

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

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

The Holding Company's Board of Directors is responsible for preparation and presentations of these Consolidated financial statements in terms of the requirements of the Companies Act,2013 that give a true and fair view of the consolidated financial position, consolidated financial performance (including Other Comprehensive Income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with rule 3 of companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) amendment Rules, 2016. These 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 of the assets of the Group 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 Ind AS financial statement 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 for preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies 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 of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. 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.

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

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

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

Others Matters

We did not audit the financial statements of three subsidiaries whose financial statements reflect total assets of Rs.1330.84 lakhs and net assets of Rs.95.95 lakhs as at March 31, 2023, total revenues of Rs 2908.33` lakhs, total comprehensive income (comprising of profit and other comprehensive income) of Rs.49.33`lakhs and net cash flows amounting to Rs 110.52 lakhs.` for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of Section 143(3) of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

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 the "Annexure B", a statement on the matter specified in paragraph 3(xxi) of the Order.

2) As required by Section 143(3) of the Act, 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 aforesaid 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 Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated changes in Equity and the Consolidated Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory

auditors of its subsidiary companies, incorporated in India, none of the directors of the

Group companies is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

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

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

3) The Group have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For M/S. Rohit KC Jain & CO,
CHARTERED ACCOUNTANTS
(FRN: 020422N)

ROHIT JAIN
(PARTNER)
M. No. 099444
UDIN: 230099444BGXUXP3720

Place: New Delhi
Date: 07.05.2023

ANNEXURE "A "TO THE AUDITORS' REPORT

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

In conjunction with our audit of the Consolidated Financial Statements of SERVOTECH POWER SYSTEM LIMITED ("the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls over financial reporting of the Holding Company, its subsidiary companies which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of Holding Company, its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

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

b) 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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other matters

Our aforesaid Report under Section 143(3)(i) of the act on adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as relates to consolidated/standalone financial statements of subsidiaries, is based on financial statements as certified by the management.

For M/S. Rohit KC Jain & CO,
CHARTERED ACCOUNTANTS
(FRN: 020422N)

ROHIT JAIN
(PARTNER)
M. No. 099444
UDIN: 230099444BGXUXP3720

Place: New Delhi
Date: 07.05.2023

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

(To the best of our information and according to explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i In respect of the Company's Property, Plant & Equipment and Intangible Assets:

a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of -use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

b) As explained to us, Property, Plant and Equipment and right-of -use assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed (state any other relevant document which evidences title) provided to us, we report that, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

d) The Company has assessed that [Property, Plant and Equipment (including Right of Use of assets) {and intangible assets}] has market value same as previous year during the year.

e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.

ii. a) The physical verification of inventory (excluding goods-in-transit and stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

b) During the year, the Company has been sanctioned working capital limits in excess of ` 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account.

iii. In our opinion and according to the information and explanations given to us, the Company has made investments in/, provided any guarantee/ security/ granted loans/ advances in the nature of loans, secured or unsecured, to companies/, firms/, Limited Liability Partnerships/ other parties, during the year, in respect of which:

(a) The Company has granted loans or advances in the nature of loans, to any other entity, the details of which are as given below. The Company has not provided guarantee or provided security to any other entity (ies) during the year.

Particulars	Loans	Advances in nature of loans
Aggregate amount granted during the year		
- Subsidiaries	**322.88 Lakhs**	
- Others	**131.46 Lakhs**	
Balance outstanding as at balance sheet date in respect of above cases		
- Subsidiaries	**322.88 Lakhs**	
- Others	**131.46 Lakhs**	

(b) In our opinion and according to the information and explanations given to us the investments made, guarantees provided, security given and the terms and conditions of grant of all loans and advances in the nature of loans and guarantees provided are not, prima facie, prejudicial to the Company's interest.

(c) In respect of the loans outstanding as on the balance sheet date, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

(d) In respect of the loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(f) The loans granted during the year had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand. No loans were granted to promoters/related parties.

iv. In our opinion and according to information and explanation given to us, the company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. In respect of Statutory Dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

viii. There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. In respect to repayment of dues:

a. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government, or debenture holder, as applicable to the company.

b. The company has not been declared wilful defaulter by any bank or financial institution or any government authority.

c. As per the information provided to us and as per our analysis the loan has been used only for the purpose for which it was taken.

d. On an overall examination of the financial statements of the company, funds raised on short term basis have, prima facie, not been used during the year for long term purpose of the company.

e. On an overall examination of the financial statements of the company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

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. The Company did not have any joint ventures or associate companies during the year.

x. a) The company has not raised any money by way of initial public offer or further public Offer (including debt instruments), hence reporting on Clause 3(x)(a) of the order is not applicable.

b) According to the information and explanations given to us, during the year, the Company has made preferential allotment of shares and Share Warrants. In respect of the same, in our opinion, the Company has complied with the requirement of Section 42 and Section 62 of the Act and the Rules framed there under.

xi. a) According to the information and explanations given to us and Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that we have neither come across any instance of fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

b) No report under sub section (12) of section 143 of the Companies Act has been filed in from ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors), 2014 with the central government, during the year and up to the date of this report.

The company is not a Nidhi Company as specified in the Nidhi Rules, 2014 therefore the provisions of Clause 3 (xiii) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Consolidated Financial Statements etc. as required by under Indian accounting standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. According to the information and explanations given to us, the company has not entered any non-cash transactions with directors or persons connected with him therefore the provisions of Clause 3(xv) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year and accordingly the reporting under clause 3(xviii) is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. There is no qualification or adverse remarks of the companies included in consolidated financial statements.

For M/S. Rohit KC Jain & CO,
CHARTERED ACCOUNTANTS
(FRN: 020422N)

ROHIT JAIN
(PARTNER)
M. No. 099444
UDIN: 230099444BGXUXP3720

Place: New Delhi
Date: 07.05.2023

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH 2023

(Rs. in Lacs)

Particulars	Note	As at 31st March 2023	As at 31st March 2022
ASSETS			
(1) Non-Current Assets			
a) Property, Plant and Equipment	3	1,979.53	925.42
b) Other Intangible Assets	3	15.63	35.27
c) Capital Work In Progress		2.03	-
d) Intangible Asset under Development	3	49.00	-
e) Investment Property	4	**218.93**	**218.93**
f) Financial Assets			
i) Investments	4	-	-
ii) Loans		-	-
iii) Other Financial Assets		0.05	-
g) Deferred Tax Assets (net)	5	20.96	0.79
h) Other-Non Current Assets	6	1,140.05	1,418.47
i) Trade Receivables	8	440.92	813.41
		3,867.11	**3,412.29**
(2) Current Assets			
a) Inventories	7	2,085.66	1,377.57
b) Financial Assets			-
i) Trade Receivables	8	8,556.07	2,765.51
ii) Cash and Cash Equivalents	9	1,194.93	13.87
iii) Other Bank Balances	9	430.31	781.69
iv) Loans			-
v) Other Financial Assets		92.02	-
c) Other Current Assets	6	448.16	589.19
		12,807.15	**5,527.83**
TOTAL ASSETS		**16,674.26**	**8,940.12**
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	10.1	2,126.54	1,866.54
b) Other Equity	10.2	6,090.68	2,761.23
		8,217.22	**4,627.77**
(1) Liabilities			
Non-Current Liabilities			
a) Financial liabilities			
i) Borrowings	11	751.88	648.51
ii) Other Financial Liabilities			-
b) Other Non-Current Liabilities	12	126.90	215.20
c) Deferred Tax Liabilities	5		-
d) Provisions	13	69.04	36.59
f) Trade Payables	14	7.38	233.51
		955.19	**1,133.81**
(2) Current liabilities			
a) Financial Liabilities			
i) Borrowings	11	3,478.50	1,272.00
ii) Trade Payables	14	2,350.31	1,134.53
iii) Other Financial Liabilities		447.98	-
b) Other Current Liabilities	15	821.05	616.64
c) Provisions	13	404.02	155.37
		7,501.86	**3,178.54**
TOTAL EQUITY AND LIABILITIES		**16,674.26**	**8,940.12**
Summary of Significant accounting policies	1&2		

The accompanying notes are an integral part of Consolidated financial statements

As per our report of even date

For Rohit KC Jain & Co.
Chartered Accountants
FRN: 020422N

CA Rohit Jain
(Partner)
M.No.- 099444

Place: Delhi
Date : 07-05-2023
UDIN : 23099444BGXUXP3720

For and on behalf of the Board of Directors of
Servotech Power Systems Limited

Raman Bhatia
(Managing Director)
DIN-00153827

Sarika Bhatia
(Whole-time Director)
DIN-00155602

Priya Pandey
(Company Secretary)
M.No.- 35815

Vikas Bhatia
(Chief Financial Officer)
PAN- AJNPB0303P

STATEMENT OF AUDITED CONSOLIDATED PROFIT AND LOSS

FOR THE ENDED MARCH, 31ST 2023

(Rs. in Lacs)

Particulars	Note	For the year ended 31st March 2023	For the year ended 31st March 2022
Total Income			
Revenue from operations	16	27,848.09	14,367.40
Other income	17	16.24	57.85
Total Revenue		27,864.33	14,425.25
Expenses			
Cost of materials consumed	18	23,658.16	12,200.35
Change in Inventories	19	(627.83)	283.67
Employee benefits expense	20	970.89	549.23
Finance costs	21	238.26	244.97
Depreciation,amortisation and impairment expense	22	212.89	157.79
Other expenses	23	1,968.23	425.24
Total expenses		26,420.61	13,861.25
Profit before exceptional and tax (I - 2)		1,443.72	564.00
Exceptional items		-	5.06
Profit before tax (3-4)		1,443.72	558.94
Tax expense:		**337.21**	**153.17**
(1) Current tax		357.44	140.34
(2) Deferred tax		(20.22)	2.84
(3) CSR Expenses		-	-
(4) Income Tax of Earlier Years		-	9.99
Profit (Loss) for the period (5-6)		**1,106.51**	**405.77**
Other Comprehensive Income		**2.35**	**0.75**
Items that will not be reclassified to profit or loss		3.15	1.00
Income tax relating to items that will not be reclassifed to profit or loss		0.79	0.25
Total Comprehensive Income for the period (7+8)		1,108.86	406.52
Net Profit attributable to :			
a) Owners of the Company		1,106.43	403.80
b) Non-Controlling Interest		2.43	1.97
Other Comprehensive Income attributable to :			
a) Owners of the Company		2.35	0.75
b) Non-Controlling Interest		0.01	-
Total Comprehensive Income attributable to :			
a) Owners of the Company		1,108.78	404.55
b) Non-Controlling Interest		2.44	1.97
Paid up Equity capital(Face value of share Rs 2)		2,126.54	1,866.54
Earnings per equity share:			
(1) Basic (@)		1.04	0.43
(2) Diluted (@)		1.11	0.41
Summary of Significant accounting policies	1&2		

The accompanying notes are an integral part of Consolidated financial statements

As per our report of even date

For Rohit KC Jain & Co.
Chartered Accountants
FRN: 020422N

CA Rohit Jain
(Partner)
M.No.- 099444

Place: Delhi
Date : 07-05-2023
UDIN : 23099444BGXUXP3720

For and on behalf of the Board of Directors of
Servotech Power Systems Limited

Raman Bhatia
(Managing Director)
DIN-00153827

Sarika Bhatia
(Whole-time Director)
DIN-00155602

Priya Pandey
(Company Secretary)
M.No.- 35815

Vikas Bhatia
(Chief Financial Officer)
PAN- AJNPB0303P

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2023

(Rs. in Lacs)

	Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax	1,443.72	558.94
	Adjustments For :		
	Depreciation and amortization expense	212.89	157.79
	Other Comprehensive Income	2.35	-
	Non Controlling Interest	8.08	-
	Dividend Paid	42.53	-
	Finance Costs	238.26	244.93
	Interest received	(10.64)	(21.07)
	Operating profit before working capital changes (before tax)	**1,937.20**	**940.59**
	Taxes paid (Net)	(367.84)	(153.17)
		1,569.36	787.42
	Adjustments For Working Capital :		
	Inventories	(708.09)	148.30
	Trade Receivables & Others	(5,123.74)	1,478.85
	Other Financial Liabilities, Other Liabilities and Provisions	729.08	(178.20)
	Trade Payable & Others	989.64	(975.68)
	Increase/ (Decrease) in sundry creditors and other liabilities	116.10	(510.11)
	Cash generated From Operating Activities	**(2,427.66)**	**750.58**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets	(1,298.38)	(261.24)
	Other/Interest Income	10.64	21.07
	Long Term Loan & Advances	-	-
	Short Term Loan & Advances	-	-
	Investment in Holding Company	-	-
	Net Cash Generated from (used in) Investing Activities	**(1,287.74)**	**(240.17)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Payment Towards Leased Laibility	-	-
	Proceeds for Issue of Shares Capital	358.00	36.25
	Other Adjustment	(42.53)	(45.47)
	Repayment/Proceeds for Loan	2,309.87	(37.98)
	Finance Cost	(238.26)	(244.93)
	Share Premium Account including Reserves	2,158.00	290.54
	Net Cash Generated from (used in) Financing Activities	4545.08	(54.19)
I	Total increase (decrease) in cash and cash equivalents during the year (A+B+C)	829.68	456.22
II	Cash and cash equivalents at beginning of year	795.56	339.34
III	Cash and cash equivalents as at end of the year (I+II)	**1,625.25**	**795.56**
Significant accounting policies	1&2		

The accompanying notes are an integral part of Consolidated financial statements

As per our report of even date

For Rohit KC Jain & Co.
Chartered Accountants
FRN: 020422N

CA Rohit Jain
(Partner)
M.No.- 099444

Place: Delhi
Date : 07-05-2023
UDIN : 230099444BGXUXP3720

For and on behalf of the Board of Directors of
Servotech Power Systems Limited

Raman Bhatia
(Managing Director)
DIN-00153827

Sarika Bhatia
(Whole-time Director)
DIN-00155602

Priya Pandey
(Company Secretary)
M.No.- 35815

Vikas Bhatia
(Chief Financial Officer)
PAN- AJNPB0303P

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2023

A. Equity Share Capital

(Rs. in Lacs)

Particulars	Note	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021	As at 1st April 2020
Balance at the beginning of the Reporting period	10.1	**1,866.54**	**1,831.04**	**1,831.04**	**1,831.04**
Changes in Equity Share Capital during the year		260.00	35.50	-	-
Balance at the end of the Reporting period		**2,126.54**	**1,866.54**	**1,831.04**	**1,831.04**

B. Other Equity

(Rs. in Lacs)

Particulars	Note No.	Reserves and surplus		Non-Controlling Interest	Share warrant	Total
		Securities Premium Reserve	Retained Earnings			
Balance at 1 April 2020	10.2	1,018.79	1,001.56	-	-	2,020.35
Additions/ Profits for the year		-	92.21	-	-	92.21
Other Comprehensive income/Adjustments		-	(0.38)	-	-	(0.38)
Total comprehensive income for the year		**-**	**92.13**	**-**	**-**	**92.13**
Balance at 31 March 2021		**1,018.79**	**1,093.69**	**-**	**-**	**2,112.48**
Balance at 1 April 2021	10.2	**1,018.79**	**1,093.69**	**-**	**-**	**2,112.48**
Additions/ Profits for the year		327.16	406.52	0.75	-	734.43
Dividend Paid		-	(36.62)	-	-	(36.62)
Other Comprehensive income/Adjustments		-	(49.06)	-	-	(49.06)
Total comprehensive income for the year		**327.16**	**320.84**	**0.75**	**-**	**648.75**
Balance at 31 March 2022		**1,345.95**	**1,414.53**	**0.75**	**-**	**2,761.23**
Balance at 1 April 2022	10.2	**1,345.95**	**1,414.53**	**0.75**	**-**	**2,761.23**
Other Adjustment		-		3.96	-	3.96
Additions/ Profits for the year		2,158.00	1,106.43	2.43	-	3,266.86
Dividend Paid		-	(42.53)	-	-	(42.53)
Other Comprehensive income/Adjustments		-	2.35	0.01	98.81	101.17
Total comprehensive income for the year		**2,158.00**	**1,066.25**	**6.40**	**98.81**	**3,329.46**
Balance at 31 March 2023		**3,503.95**	**2,480.78**	**7.15**	**98.81**	**6,090.68**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Company Overview and Significant Accounting Policies

1.1 Company Overview

Servotech Power Systems Limited ("the Company") was incorporated on 24.09.2004 as a Private Limited Company and converted in to Public Limited Company domiciled in India on 24.05.2017. Its shares are listed on National Stock Exchange (NSE). The company is primarily engaged in manufacturing of LED lights and Solar power products.

Rebreathe Medical Devices Private Limited ("the Subsidairy Company") was incorporated on 02.07.2021 as a Private Limited Company . The company is primarily engaged in manufacturing, buying, selling , importing , exporting , and dealing in environment friendly products, machines, medical equipiment, patterns, products and services and to engage in business of healthcare , reseach and development, contract manufacturing in India or aboard.

Techbec Industries Limited ("the Subsidairy Company") was incorporated on 13.09.2022 as a Private Limited Company . The company is primarily engaged in manufacturing, buying, selling , importing , exporting , and dealing in all batteries, lithium batteries, cells, lead acid batteries, stationary batteries, starting batteries, storage batteries, traction batteries, alkaline batteries, dry batteries, button batteries, solar power batteries, mini batteries, emergency lights in India or abroad.

Techbec Global Solutions Private Limited ("the Subsidairy Company") was incorporated on 23.11.2022 as a Private Limited Company . The company is primarily engaged in manufacturing, buying, selling , importing , exporting , and dealing in all batteries, lithium batteries, cells, lead acid batteries, stationary batteries, starting batteries, storage batteries, traction batteries, alkaline batteries, dry batteries, button batteries, solar power batteries, mini batteries, emergency lights in India or abroad.

The Consolidated financial statements are approved for issue by the Company's Board of Directors on 7th May,2023

2 Significant Accounting Policies

The significant accounting policies applied by the Company in the preparation of its Consolidated Ind AS financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise stated.

2.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of, unless otherwise stated.

A) Statement of compliance

These financial statements of the Company are prepared and presented in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provision of the Act as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

B) Functional and presentation currency

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to nearest lakhs upto two decimal places (INR 00,000), except when otherwise indicated.

C) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

(i) Derivative Instruments

(ii) Certain financial assets and liabilities that are measured at fair value

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services as at the date of respective transactions.

2.2 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 2.3. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3 Critical accounting estimates, assumptions and judgements

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 and future periods affected. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Significant judgements and estimates relating to the carrying values of assets and liabilities include, determination of estimated projected cost and revenue in long term contracts, determination of term of lease contracts, fair value measurement, impairment of goodwill, provision for employee benefits and other provisions, recoverability of deferred tax assets and commitments and contingencies.

2.3.1 Estimates and assumptions

A). Property, plant and equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

B). Provision for employee benefits

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the postemployment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate and past trends.

C). Provision for litigations and contingencies

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount. Due to the judgements involved in such estimations the provisions are sensitive to the actual outcome in future periods.

D). Provision

Significant estimates are involved in the determination of provisions related to liquidated damages, onerous contracts and warranty provision. The Company records a provision for onerous sales contracts when current estimates of total contract costs exceed expected contract revenue. Warranty provision is determined based on the historical trend of warranty expense for the same types of goods for which the warranty is currently being determined, after adjusting for unusual factors related to the goods that were sold or based on specific warranty clause in an agreement. Such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence. The provision for warranty, liquidated damages and onerous contracts is based on the best estimate required to settle the present obligation at the end of reporting period.

E). Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget 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.

F). Taxes

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous assessments and interpretations of tax regulations by the Company.

G). Leases: whether an arrangement contains a lease

The Company determines the lease term as the agreed tenure of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset)

2.4 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All assets and liabilities have been classified as current or non- current as per the Company's operating cycle and other criteria set out in 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 realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non- current classification of assets and liabilities, except for long-term contracts. The projects business comprises long-term contracts which have an operating cycle exceeding one year. For classification of current assets and liabilities related to projects business, the Company uses the duration of the individual life cycle of the contract as its operating cycle.

A liability is current when:

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

Advance tax paid is classified as current assets

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

2.5 Foreign Currency

Functional currency

The functional currency of the Company is the Indian Rupee.

Transactions and translations Initial recognition transactions in foreign currencies are recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. The gains or losses resulting from such translations are recognised in the statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was measured. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction."

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

2.6 Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated if any. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Revenue is stated exclusive of goods and service tax and net of trade and quantity discount.

Liquidated damages / penalties are provided for as per the contract terms wherever there is a delayed delivery attributable to the Company."

A) Revenue from the sale of goods

Revenues are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

B) Revenue from sale of services

Revenue from services rendered over a period of time, such as annual maintenance contracts, are recognised on straight line basis over the period of the performance obligation.

C) Income from development services

Revenue from the development services is recognised as per the contract terms and when accrued. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

D) Export benefits

Export incentives receivable are accrued for, when the right to receive the credit is established and there is no significant uncertainty regarding the realisability of the incentive.

E) Other income

Interest income is recognised on time proportion basis.

Fair value gain on financial instruments is recognized using the effective interest method.

2.7 Income tax

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss.

A) Current tax

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

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

The Company offsets tax assets and tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

B) Deferred tax

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

2.8 Property, plant and equipment

Recognition and measurement

Freehold Land is carried at historical cost, all other item of property, plant and equipment is measured at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied."

All other repair and maintenance costs are recognised in statement of profit or loss as incurred. The Company identifies and determines cost of each component/ part of property, plant and equipment separately, if the component/ part has a cost which is significant to the total cost of the property, plant and equipment and has useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and cost of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress is stated at cost less accumulated impairment loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset are derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

A) Depreciation

The Company depreciates property, plant and equipment over their estimated useful lives using the Written Down method. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

The estimated useful lives of assets are as follows:

Particulars	Years
Leasehold land	Over useful life
Building other than factory	60
Computers	
- Computers and other peripherals	3
-Software	3
Furniture & Fixtures	10
Vehicles	8
Office equipment	5
Plant & Machinery	15

The useful lives have been determined based on technical evaluation done by the management's expert which are in line those specified by Schedule II to the Companies Act 2013. The residual values are not more than 5% of the original cost of the asset. The depreciation methods, assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under Other Non-Current Assets and the cost of assets not put to use before such date is disclosed under 'Capital work-in-progress'.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

2.9 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a written down basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Amortization methods and useful lives are reviewed periodically including at each financial year end. The estimated useful lives for intangible assets are 3 years.

2.10 Inventories

Inventories consist of raw materials, work-in-progress, finished goods, stock-in-trade and stores an spares. Inventories are measured at the lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost.

The cost of various categories of inventories is arrived at as follows:

Stores, spares, raw materials, components and stock-in-trade - at rates determined on the moving weighted average method.

Goods in Transit – at actual cost. Work-in-progress and finished goods - at full absorption cost method which includes direct materials, direct labour and manufacturing overheads. Cost is determined on weighted average method.

Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Provision for obsolescence is made wherever necessary. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The factors that the Company considers in determining the provision for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

2.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.11.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

2.11.2 Subsequent measurement

A). Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business where the objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business where the objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone 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

B). Derivative financial instruments

This category has derivative financial assets or liabilities which are not designated as hedges.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income / expenses. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

2.11.3 Impairment of Financial Assets

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

2.11.4 Derecognition of Financial Assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset ; or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset

2.12 Fair value measurement

The Company measures financial instruments at fair value at each Balance Sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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 categorized 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) market prices in 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.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.

The Company has a team comprising of members of senior management that determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for nonrecurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties and unquoted investments and financial assets, and significant liabilities, such as contingent consideration. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

2.13 Investment Properties

Property that is held for long term rental yields or for capital appreciation or for both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction cost and where applicable, borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any

Investment properties are de-recognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in Statement of Profit and Loss in the period of de-recognition.

2.14 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.15 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.15.1 Company as a lessee

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

i) Right-of- use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of-use assets in the nature of buildings are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying asset. The right-of-use assets comprising of land is depreciated based on the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and

amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

2.15.2 Company 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 arising is accounted for on a straight-line basis over the lease terms. 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.

2.16 Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A) Warranty Provisions

Provision for assurance type warranty-related costs are recognised when the product is sold or service is provided to customer. Initial recognition is based on historical experience. The Company periodically reviews the adequacy of product warranties and adjust warranty percentage and warranty provisions for actual experience, if necessary. The timing of outflow is expected to be with in one to five years.

B) Decommissioning Liability

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset.

C) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

2.17 Retirement and other employee benefits

A) Defined benefit Plan

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

B) Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

C) Short-term Obligations

Liabilities for wages, salaries and bonus, including non-monetary benefits that are expected to be settled wholly within 3 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

D) Post-Employment Obligations

The Company operates the following post-employment schemes:

- defined benefit plans for gratuity, and

- defined contribution plans for provident fund.

2.18 Investment in Subsidiaries

The investment in subsidiaries, associate and Joint venture are carried at cost as per Ind AS 27.

2.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management. The Management monitors the operating results of all strategic business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

2.20 Cash and cash equivalent

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and shortterm deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

2.21 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.22 Finance costs

Borrowing costs are recognised in the statement of profit and loss using the effective interest method. The associated cash flows are classified as financing activities in the statement of cash flows.

2.23 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR as per the requirement of Schedule III, unless otherwise stated.

2.24 Earning Per share

A) Basic EPS

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

B) Diluted EPS

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.

2.25 Approval of Financial Statements

The financial statements were approved for issue by the board of directors on May, 7,2023

NOTE 3. Property, plant and equipment

The changes in the carrying value of property, plant and equipment including capital work in progress assets are as follows:

Particulars	Property plant and equipment										Intangible Assets		Total
	Leasehold land	Freehold land	Building	Machinery	Computer & Printers	Furniture & Fixtures	Vehicles	Electric Vehicle Equipments	Other Equipments	Total	Computer Software	Total	
Deemed cost- as on 1 April 2021	**304.52**	**5.21**	**699.01**	**196.57**	**84.69**	**71.04**	**197.25**	**-**	**67.22**	**1,625.51**	**52.56**	**52.56**	**1,678.07**
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2022	**304.52**	**5.21**	**699.01**	**196.57**	**84.69**	**71.04**	**197.25**	**-**	**67.22**	**1,625.51**	**52.56**	**52.56**	**1,678.07**
Additions	-	469.30	387.20	175.07	21.04	13.59	183.72	3.19	5.16	1,258.27	-	-	1,258.27
Disposals	-	-	-	-	(0.13)	-	(84.01)	-	-	-84.13	-	-	-84.13
As at 31 March 2023	**304.52**	**474.51**	**1,086.21**	**371.64**	**105.60**	**84.63**	**296.96**	**3.19**	**72.38**	**2,799.64**	**52.56**	**52.56**	**2,852.20**
Accumulated Depreciation													
As At 31 March 2022	105.59	-	184.99	97.83	55.52	58.51	134.39	-	63.25	700.08	17.29	17.29	717.37
For the year	86.27	-	30.79	24.43	19.92	4.13	21.87	1.60	4.22	193.25	19.64	19.64	212.89
Disposals	-	-	-	-	-	-	(73.23)	-	-	-73.23		-	-73.23
As At 31 March 2023	**191.87**	**-**	**215.79**	**122.26**	**75.44**	**62.64**	**83.03**	**1.60**	**67.47**	**820.11**	**36.93**	**36.93**	**857.04**
Net Carrying value as at 31 March 2023	**112.65**	**474.51**	**870.42**	**249.38**	**30.16**	**21.99**	**213.92**	**1.59**	**4.91**	**1,979.53**	**15.63**	**15.63**	**1,995.16**
Net Carrying value as at 31 March 2022	**198.92**	**5.21**	**514.02**	**98.75**	**29.17**	**12.53**	**62.86**	**-**	**3.97**	**925.42**	**35.27**	**35.27**	**960.69**
Intangible Assets under Development											**49.00**	**49.00**	**49.00**

NOTE 4 : INVESTMENTS

(In `)

Particulars	As at 31 March 2023	As at 31 March 2022
Non-Current		
- Investment in Equity Instruments	-	-
Total Non-Current Investments in Shares	-	-
Non - Current		
- Investment In Properties	218.93	218.93
Total Non- Current Investments in Properties	**218.93**	**218.93**
Total Invetments	**218.93**	**218.93**

***** Investments are Unquoted , At Cost , Fully Paid up . Investments are measured at Cost as Per IND AS 27 "Separate Financial Statement" .***

NOTE 5 : DEFERRED TAX ASSETS (NET)

The balance comprises temporary differences attributable to:

Particulars	As at 31 March 2023	As at 31 March 2022
Property, plant and equipment, capital work in progress and intangible assets	(2.89)	13.51
Brought Forward Losses	-	-
Leased Laibility	(4.24)	(3.93)
Employee benefits	(16.29)	(12.33)
MAT Credits	-	-
Interest/Loan Equilisation	1.71	2.00
Others	0.74	(0.04)
Total Deferred Tax Assets (Net)	**(20.96)**	**(0.79)**

NOTE 6 : OTHERS CURRENT/NON-CURRENT ASSETS

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Security Deposits	52.07	48.68
Retention and Performance Gurantee	1,087.98	1,369.79
Total other non-current assets	**1,140.05**	**1,418.47**
Current		
Advance to suppliers and Others	131.46	379.34
Prepaid Expenses	48.49	43.72
Advance Taxes	259.40	114.79
Others	8.82	51.33
Total other current assets	**448.16**	**589.19**
Total others	**1,588.21**	**2,007.66**

Notes:

(i) During the year company has given Loan of Rs 322.88 Lakhs @7.5% p.a., to its subsidiary, Techbec Global Solutions Pvt Ltd, as a working caplital facility. Such loan is to be utilised by subsidiary for its principal business activities .

(ii) There are no loans as at March 31, 2023 and March 31, 2022 which have significant increase in credit risk or which are credit impaired.

(iii) Loans are non-derivative financial instruments which generate a fixed or variable or variable interest income for the Company. The carrying value may be affected by the changes in the credit risk of the counter parties.

NOTE 7 : INVENTORIES

(In `)

Particulars	As at 31 March 2023	As at 31 March 2022
Additional Information		
(As taken, valued and certified by the management)		
Stock-in-Trade	962.17	765.04
-Raw Materials	191.85	112.37
-Work-in-Process	931.64	500.16
-Finished Goods / Trading Goods	2,085.66	1,377.57
Total inventories	**1,377.57**	**1,525.88**

NOTE 8 : TRADE RECEIVABLE

Particulars	As at 31 March 2023	As at 31 March 2022
- Considered Secured	-	-
- Considered Unsecured	8,996.99	3,578.91
	8,996.99	3,578.91
Total receivables	**8,996.99**	**3,578.91**
Current portion	8,556.07	#REF!
Non-Current portion	440.92	813.41

Additional Information

**** Refer Note ..... Trade Receivable Ageing Schdeule .*

Particulars	Outstanding for following periods from due date of payment (as at March 31, 2023)					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	8,282.54	272.53	169.77	2.61	121.48	8,848.93
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables– considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	148.07	148.07
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**8,282.54**	**272.53**	**169.77**	**2.61**	**269.55**	**8,996.99**

Particulars	Outstanding for following periods from due date of payment (as at March 31, 2022)					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	2,529.49	93.60	3.35	7.62	204.66	2,838.72
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables– considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	57.29	85.12	226.18	200.12	171.48	740.19
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**2,586.78**	**178.72**	**229.53**	**207.74**	**376.14**	**3,578.91**

Break-up of Security Details

Particulars	As at 31 March 2023	As at 31 March 2022
Secured, considered good		
Unsecured, considered good	8,848.93	2,838.72
Doubtful	123.81	740.19
Total receivables	**8,972.73**	**3,578.91**

NOTE 9 : CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks		
- *in current accounts*	1,190.15	511.48
Cash on hand	4.78	13.87
Total Cash and Cash Equivalents	**1,194.93**	**525.36**

NOTE 9 OTHER BANK BALANCES

Particulars	As at 31 March 2023	As at 31 March 2022
Deposits ***	430.31	270.21
Total Other Bank Balances	**430.31**	**270.21**

NOTE -10 : EQUITY SHARE CAPITAL AND OTHER EQUITY

Share Capital

Authorised Share Capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of Rs.2/- each (11,00,00,000 Equity shares of Rs. 2/- each) *(Previously 10 each)*	**110,000,000**	**2,200**	**22,000,000**	**2,200**
Issued, Subscribed & paid-up Capital				
Equity shares of Rs. 2/- each fully paid-up (10,63,27,145 Equity shares of Rs. 2/- each) *(Previously 10 each)*	**106,327,145**	**2,127**	**18,665,429**	**1,867**
Total	**106,327,145**	**2,127**	**18,665,429.00**	**1,867**

A) Reconciliation of number of Ordinary Shares outstanding:

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount	No. of Shares	Amount
As at beginning of the year	93,327,145	1,867	18,310,429	1,831
Issued during the year	13,000,000	260	355,000	36
As at end of the year	**106,327,145**	**2,127**	**18,665,429**	**1,867**

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ` 2/-. (previously 10 each) Each holder of equity shares is entitled to one vote per share and is entitled to dividend declared, if any. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the company after distribution of all preferential amounts in proportion of equity shares held by the shareholders.

Details of shareholders holding more than 5% shares in the Company

Name of Shareholders	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Percentage holding	Number of shares	Percentage holding
Mr. Raman Bhatia	33,503,450	**31.51%**	6,698,765	35.89%
M/s Raman Bhatia HUF	15,555,275	**14.63%**	3,123,055	16.73%
Ms. Sarika Bhatia	12,898,375	**12.13%**	2,579,675	13.82%

The Company has split its share face value from Rs 10/- to Rs 2/- during the year vide resolution dated 7th December 2022.

Equity Shares held by promoters at the end of the year

Name of Promoter	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of Total Shares	Number of shares	% of Total Shares
Promoter				
Mr. Raman Bhatia	33,503,450	31.51%	6,698,765	35.89%
Ms. Sarika Bhatia	12,898,375	12.13%	2,579,675	13.82%
Promoter Group				
M/s Raman Bhatia HUF	15,555,275	14.63%	3,123,055	16.73%
Mr. Manohar Lal Bhatia	1,401,875	1.32%	284,375	1.52%
Mr. Vikas Bhatia	26,500	0.02%	5,000	0.03%
Ms. Sudesh Bhatia	9,375	0.01%	1,875	0.01%
Mr. Rishabh Bhatia	509,000	0.48%	101,800	0.55%
Mr. Kanav Bhatia	534,000	0.50%	106,800	0.57%

Other Equity

Particulars	As at 31 March 2023	As at 31 March 2022
Securities premium	3,503.96	1,345.95
Retained earnings	2,483.80	1,415.28
Share warrant	98.81	-
Total reserve and surplus	**6,086.57**	**2,761.23**

Securities Premium

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	1,345.96	1,018.79
Received/Utilized during the Year	2,158.00	327.17
Closing balance	**3,503.96**	**1,345.96**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Retained Earnings

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	1,415.28	1,093.61
Net profit for the period	1,108.86	406.52
Less :-		
Dividend Paid	(42.53)	(36.62)
INDAS - Adjustment	(0.17)	-
OCI Income/Adjustment	2.35	(48.31)
Other Adjustment	3.96	
Closing balance	**2,483.80**	**1,415.28**

Share Warrant

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	-	-
Addition	98.81	
Closing balance	**98.81**	**-**

Distribution Made and Proposed

Particulars	As at 31 March 2023	As at 31 March 2022
Dividend on equity shares proposed and paid:		-
Interim dividend during the 2022-23 0.20 per share of face of Rs 10 each	42.53	-
	42.53	**-**

Note:

During the year the Board of the Directors of the company has recommend the payment of interim dividend of Re 0.20 per equity shares of face value of Rs 10each , on 21st January 2023. The Divident was paid to those members whose name was appears in the register of membersas on Record date 3rd February 2023. Such Interim dividend was paid out of profit made during the yaer 2022-2023.

NOTE 11 : NON-CURRENT BORROWINGS

(In ₹)

Particulars	As at 31 March 2023	As at 31 March 2022
Secured from banks		
i) From Bank	749.20	645.92
ii) From Non Banking Companies	1.59	1.59
Unsecured from banks		
i) From Bank	-	-
ii) From Directors	1.09	1.00
ii) From Non Banking Companies	-	-
Total Non current borrowings	**751.88**	**648.51**

Secured borrowings and assets pledged as security

1) Various banks had sanctioned vehicle loans on different dates of Rs. 231.79 Lacs (Previous year Rs. 112.34 Lacs) secured against hypothecation of vehicles and personal guarantees of directors. The said loans are repayable upto 68 installments of different amounts and payable on different dates. Outstanding balance as on 31.03.2023 was Rs. 27.55 Lacs (Previous year Rs. 45.91 Lacs) , Payable within one year Rs. 16.95 Lacs (Previous year Rs. 19.35 Lacs) .

2) Non banking finance company had sanctioned vehicle loan of Rs. 63.10 Lacs (Previous year Rs. 63.10 Lacs) on 13th of December 2017, said loan is secured against hypothecation of vehicle and personal guarantees of directors. The said loan is repayable in 65 equal installments. Outstanding balance as on 31.03.2023 was Rs. 1.59 Lacs (Previous year Rs. 17.00 Lacs) , Payable within one year Rs. 1.59 Lacs (Previous year Rs. 15.42 Lacs).

3) ICICI Bank had sanctioned Term loan of Rs. 600.00 Lacs on 01.12.2022. Such loan is secured against equitable mortgaged of commercial property situated (Killa No- 14/6/1/2(0-3), Village- Safiabad, Tehsil-Rai, Sonepat-231029) and personal guarantees of directors. The said loan is repayable in upto 84 equal monthly installments.Outstanding balance as on 31.03.2023 was Rs. 571.71 Lacs (Previous year-NIL) , Payable within one year Rs 85.71 Lacs (Previous year-NIL) .

4) Punjab National Bank had sanctioned working capital term loan of Rs. 247 Lacs on 18.07.2020 under GECL Scheme to meet operational liabilities and restart the business effected due to COVID-19. The loan is secured on Terms & Conditions as mentioned in Note no.6 below. The loan is repayable in 36 installments after one year moratorium period. Outstanding as on 31.03.2023 was Rs. 102.13 Lacs (Previous year Rs. 176.85 Lacs) payable within one year Rs. 78.00 Lacs (Previous year Rs. 82.33 Lacs)

5) Punjab National Bank had sanctioned working capital term loan of Rs. 172.96 Lacs on 15.12.2021 under GECL Scheme to meet operational liabilities. The loan is secured on Terms & Conditions as mentioned. The loan is repayable in 36 installments after 2 years moratorium period. Outstanding as on 31.03.2023 was Rs. 173.94 Lacs (Previous year Rs. 171.72) payable within one year Rs. 14.41 (Previous year Rs. NIL)

CURRENT BORROWINGS

In `)

Particulars	As at 31 March 2023	As at 31 March 2022
Secured from banks		
i) From Bank	3,255.83	1,128.34
ii) From Non Banking Companies	99.87	-
iii) Current Maturity of Long Term Debt	122.79	143.66
Unsecured from banks		
i) From Bank		-
ii) From Non Banking Companies		-
Total Non current borrowings	**3,478.50**	**1,272.00**

*Punjab National Bank had renewed fund based limit of Rs 626 Lacs (Previous year Rs 626 Lacs) towards Cash Credit and non fund based limit of Rs.1150 Lacs (Previous year Rs 1150 Lacs) towards Bank Guarantee/Letter of Credit with interchangeability of Rs.274 Lacs from LC to CC on 30.09.2021. These limit are secured against hypothecation of inventories, books debts (except IOCL and IHB debtors which is financed by HDFC Bank), other current assets, fixed deposits of Rs. 5 Lacs and RD of Rs. 23.23 Lacs, Plant and machineries and all other fixed assets of the company, besides equitable mortgage of properties of company and its directors along with their personal guarantees. All securities are having pari passu charge with HDFC Bank.

*HDFC Bank had sanctioned Fund Based Limit of Rs.900 Lacs (Cash Credit Limit of Rs 400 Lacs and Working Capital Demand Loan of Rs 500 Lacs) and Non Fund Based Limit of Rs 1350 Lacs towards Bank Guarantee/Letter of Credit on 02.09.2021. These limit are secured by Exchange of Pari passu charge on current assets and properties of company with Punjab National Bank and exclusive charge on Book Debts of IOCL and IHB against whom working capital demand loan of Rs 500 Lacs was sanctioned and exclusive charge on FDR issued as cash margin against BG/LC.

*ICICI Bank had sanctioned Fund Based Limit of Rs.1400 Lacs (Cash Credit Limit of Rs 1400 Lacs and Working Capital Demand Loan of Rs 800 Lacs against sublimit of Cash Credit), Non Fund Based Limit of Rs 200 Lacs towards Bank Guarantee/Letter of Credit against sublimit of Cash Credit and Rs 1300 Lacs towards Term Loan of on 28.03.2023. These limit are secured by Exchange of Pari passu charge on current assets and properties of company with Punjab National Bank and HDFC Bank and exclusive charge on properties against whom working capital demand loan of Rs 800 Lacs was sanctioned.

NOTE 12 : OTHER NON CURRENT LIABILITIES

Particulars	As at 31 March 2023	As at 31 March 2022
Security Received From Customers	-	1.20
Lease Liability	126.90	214.00
Total other Non current liabilities	**126.90**	**215.20**

NOTE 13 : PROVISIONS

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current		
Provisions for Gratuity	46.50	36.59
Others	22.54	-
Total	**69.04**	**36.59**
Current		
Provisions for Gratuity	21.54	15.72
Provision for Taxation	340.79	139.65
Others	41.69	-
Total	**404.02**	**155.37**

NOTE 14 : TRADE PAYABLES

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Total outstanding dues of micro enterprises and small enterprises	0.03	25.60
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,356.63	1,342.44
(c) Disputed (Others)	1.03	-
Total	**2,357.69**	**1,368.04**
Current portion	2,350.31	1,134.53
Non-Current portion	**7.38**	**233.51**

As at 31st March 2023

(In `)

Particulars	Outstanding for following periods				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
MSME	-	0.03	-	-	0.03
Others	2,350.31	-	6.32	-	2,356.63
Disputed Dues-MSME	-	-	-	-	-
Disputed Dues-Others	-	-	-	1.03	1.03
Total	**2,350.31**	**0.03**	**6.32**	**1.03**	**2,357.69**

As at 31st March 2021

Particulars	Outstanding for following periods				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
MSME	1.34	-	-	-	1.34
Others	1,018.09	50.71	1.31	14.93	1,085.04
Disputed Dues-MSME	-	0.03	21.83	2.40	24.26
Disputed Dues-Others	115.10	-	34.18	108.12	257.40
Total	**1,134.53**	**50.75**	**57.32**	**125.45**	**1,368.05**

(i) Trade payables are non interest bearing and are normally settled in 7 days to 120 days. For explanations on the Company'srisk management process.

(ii) Trade payables are unsecured .

(iii) Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 nodiclosure need due to nominal value of transaction during the year

NOTE 15 : OTHER CURRENT LIABILITIES

(In `)

Particulars	As at 31 March 2023	As at 31 March 2022
Security Received	-	
Advance From Customer	71.05	127.95
Expenses Payable	108.26	178.59
Contract Laibility Against Sales	609.59	260.21
Other Current liabilities	1.20	
Statutory Liabilities Payable	30.95	49.89
Total other current liabilities	**821.05**	**616.64**

NOTE 16 : REVENUE FROM OPERATION

(In `)

Particulars	For the Year ended 31 March, 2023	For the Year ended 31 March, 2022
I) Manufactured & Trading Sales		
Domestic	29,160.07	13,837.34
Export Sale	-	191.31
Less : Inter Company Sales	(2,203.08)	-
2) Sale of Service	891.10	338.75
Net gain / (loss) on settlement of commodity forward/Future contract	-	-
Total revenue from operations	**27,848.09**	**14,367.40**

Perfomance Obligation

The performance obligation for sale of products and scrap are satisfied upon delivery/dispatch of goods depending upon terms with customers and payment is generally due within 15 to 90 days from delivery. Some contracts provide customers with a right of return, volume discount, rebates and other promotion incentive schemes, which gives rise to variable consideration subject to constraint. The contracts do not have a significant financing component. The company offers standard warranty on selected products. The company makes provisions for same as per principles laid down under Ind AS-37. The performance obligation for the product repair services is satisfied over the period of time and payment is generally due upon completion of service and acceptance of the customer. There are no unsatisfied or partially satisfied performance obligation as at March 31, 2023 and March 31, 2022. During the year ended March 31, 2023, revenue recognised from amount included in contract liability at the beginning of the year.

NOTE 17 : OTHER INCOME

Particulars	For the Year ended 31 March, 2023	For the Year ended 31 March, 2022
Duty Draw Back Recevable (Income)	(0.11)	-
Interest Income & Others Non-operating income	2.13	1.40
Interest received	4.73	15.79
Rebate & discount	2.25	32.80
Rent Received	2.72	6.20
Miscellaneous Income	4.52	1.66
Total other income	**16.24**	**57.85**

NOTE 18 : COST OF MATERIAL CONSUMED

Particulars	For the Year ended 31 March, 2023	For the Year ended 31 March, 2022
Opening Stock	12,200.35	629.68
Add : Purchases	25,941.60	12,335.71
	38,141.95	12,965.39
Less : Inter Company Purchases	(2,203.08)	-
Less : Closing Stock	704.47	765.04
Total Purchase of Stock-In-Trade	**35,234.40**	**12,200.35**

NOTE 19 : CHANGES IN INVENTORIES

Particulars	For the Year ended 31 March, 2023	For the Year ended 31 March, 2022
Closing Balance		
Traded goods	1,107.29	500.16
WIP	114.94	112.37
Total Closing balance	**1,222.23**	**612.53**
Opening Balance		
Traded goods	490.77	855.72
WIP	103.63	40.49
Total Opening Balance	**594.39**	**896.21**
Total changes in inventories of stock-in-trade	**(627.83)**	**283.67**

NOTE 20 : EMPLOYEE BENEFIT EXPENSE

(In `)

Particulars	For the Year ended 31 March, 2023	For the Year ended 31 March, 2022
Salaries, wages and bonus	853.82	448.08
Director Remuneration	81.33	70.06
Gratuity	3.72	8.07
Staff welfare expenses	32.02	23.02
Total employee benefit expense	**970.89**	**549.23**

NOTE 21 : FINANCE COSTS

Particulars	For the Year ended 31 March, 2023	For the Year ended 31 March, 2022
Interest and finance charges	252.82	180.13
Bank Charges and Other Interest Charges	29.72	64.84
Difference in Currency Fluctuation	-44.28	-
Finance costs expensed in profit or loss	**238.26**	**244.97**

Note: The amount capitalised represents finance cost on specific borrowings relating to advances given against building.

NOTE 22 :DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the Year ended 31 March, 2023	For the Year ended 31 March, 2022
Depreciation of property, plant and equipment & Impairment	212.89	157.79
Total depreciation and amortisation expense	**212.89**	**157.79**

NOTE 23 : OTHER EXPENSES

Particulars	For the Year ended 31 March, 2023	For the Year ended 31 March, 2022
Operational Expenses		
Freight , forwarding & others	30.54	18.57
Consumables	3.27	0.19
Job Work Charges	0.05	0.61
Repairs & Maintenance- Machinery	126.28	30.25
Power & Fuel	10.98	7.84
	171.12	**57.46**

Particulars	For the Year ended 31 March, 2023	For the Year ended 31 March, 2022
Administrative Expenses		
Bad Debts	930.59	-
Bank Charges	0.02	
Printing and stationery	5.51	4.26
Interest Exp	(0.93)	
Rent	1.56	2.47
Postage, telegram and telephone expenses	7.51	20.25
Computer and IT Expenses	21.85	19.49
Office Maintenance Expenses	31.05	2.75
Travelling and conveyance (Including Directors Tour & Travelling)	145.97	36.77
Legal and professional charges	185.96	33.03
Fees and subscription	22.32	17.76
Insurance expenses	7.21	5.13
Repairs and maintenance	10.46	16.98
Vehicle maintenance	7.14	6.76
General expenses	84.40	19.92
Staff Expenses	22.44	-
Audit Fees	7.05	4.00
	1,490.14	189.57
Selling & Distribution Expenses		
Freight & labour charges	163.95	69.25
Commission paid	2.87	9.17
Liquidation damage	11.50	30.35
Research & Development Expenses	22.49	8.84
Tender Fees	0.09	1.91
Business promotion	71.53	20.61
Advertisement	25.13	20.56
Discount on sale	3.50	0.69
Warranty expenses	5.93	16.83
	306.98	178.21
Total other expenses	**1,968.23**	**425.24**

NOTE 24 : FAIR VALUE MEASUREMENTS

NOTE -24.1 : FINANCIAL INSTRUMENT BY CATEGORY & FAIR VALUE HIERARCHY

Particulars	FVPL/ FVOCI/ Amortised cost	31 March 2023					
		Level 1		Level 2		Level 3	
		Carrying cost	fair value	Carrying cost	fair value	Carrying cost	fair value
Financial assets							
Trade receivables	Amortised cost	-	-	-	-	8,556.07	8,556.07
Cash and cash equivalents	Amortised cost	-	-	-	-	1,194.93	1,194.93
Other Bank Balances	Amortised cost	-	-	-	-	430.31	430.31
Other finanical assets	Amortised cost	-		-	-	540.18	540.18
Total financial assets		**-**	**-**	**-**	**-**	**10,721.49**	**10,721.49**
Financial liability							
Borrowings	Amortised cost					4,230.37	4,230.37
Trade and other payables	Amortised cost					2,546.24	2,546.24
Total financial liability		**-**		**-**		**6,776.62**	**6,776.62**

Particulars	FVPL/	31 March 2022					
	FVOCI/	Level 1		Level 2		Level 3	
	Amortised cost	Carrying cost	fair value	Carrying cost	fair value	Carrying cost	fair value
Financial assets							
Trade receivables	Amortised cost	-	-	-	-	3,578.91	3,578.91
Cash and cash equivalents	Amortised cost	-	-	-	-	13.87	13.87
Other Bank Balances	Amortised cost	-	-	-	-	781.69	781.69
Other finanical assets	Amortised cost	-		-	-	589.19	589.19
Total financial assets		**-**	**-**	**-**	**-**	**4,963.66**	**4,963.66**
Financial liability							
Borrowings	Amortised cost					1,920.50	1,920.50
Trade and other payables	Amortised cost					1,619.84	1,619.84
Total financial liability		**-**		**-**		**3,540.34**	**3,540.34**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price and are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level3.

NOTE 24.2 : VALUATION TECHNIQUE USED TO DETERMINE FAIR VALUE

SPECIFIC VALUATION TECHNIQUES USED TO VALUE FINANCIAL INSTRUMENTS INCLUDE:

- THE USE OF QUOTED MARKET PRICES

NOTE 24.3 : FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST

The carrying amounts of financial assets comprising trade receivables cash and cash equivalents, fixed deposits with banks, security and other deposits and carrying value of financial liabilities comprising borrowings and trade and other payables are considered to be the same as their fair values, due to their short-term nature and covered under level 3 category.

NOTE 25 : FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance, derivative financial instruments, such as foreign exchange forward contracts and commodity forward contracts, are entered to hedge certain foreign currency risk exposures and commodity price risk exposures..

This note explains the sources of risk which the Company is exposed to and how such risk were managed..

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

Market risk — foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
Market risk — commodity price	Future commercial transactions	Cash flow forecasting Sensitivity analysis	Forward commodity contracts

The Company's risk management is carried out by a central treasury department under policies approved by the board of directors. The Company treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, commodity price risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

NOTE 25.1 CREDIT RISK MANAGEMENT

The risk of financial loss due to counterparty's failure to honour its obligations arises principally in relation to transactions where the Company provides goods on deferred terms.

The Company's policies are aimed at minimising such losses, and require that deferred terms are granted only to customers who demonstrate an appropriate payment history and satisfy creditworthiness procedures. Individual exposures are monitored with customers subject to credit limits to ensure that the Company's exposure to bad debts is not significant. The maximum exposure to credit risk regarding financial assets is the carrying amount as disclosed in the balance sheet. With respect to credit risk arising from all other financial assets of the Company, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the corresponding carrying amount of these instruments.

On account of the adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as historical experience for customers. The Company's receivable are high quality with negligible credit risk and the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil. Accordingly, no provision for expected credit loss is recognised.

NOTE 25.2 LIQUIDITY RISK MANAGEMENT

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	**As at 31 March 2023**	As at 31 March 2022
Working capital – fund based	**3,256**	**1,128**
Total borrowing facilities	**3,256**	**1,128**

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12months equal their carrying balances as the impact of discounting is not significant.

As at 31 March 2023	Less than 3 months	6 Less than 12 months	More than 12 months
Non- derivative			
Borrowings	-	3,478	752
Trade payable	-	2,350	7
Total non-derivative liabilities	**-**	**5,829**	**759**

As at 31 March 2022	Less than 3 months	6 Less than 12 months	More than 12 months
Non- derivative	-	-	-
Borrowings	-	1,272	649
Trade payable	-	1,135	234
Total non-derivative liabilities	**-**	**2,407**	**883**

NOTE 25.3 MARKET RISK MANAGEMENT

INTEREST RATE RISK

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31 March 2017 and 31 March 2016, the Company's borrowings at variable rate were mainly denominated in INR.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The long term variable interest rate borrowings are not significant and accordingly, no such sensitivity for interest rate cash flow has been disclosed.

PRICE RISK

The Company's significant exposure for price risk is relating to commodity forward contracts. However, no open commodity forward contract is outstanding as on the reporting date and accordingly, doesn't have related price risk.

NOTE 26 : CAPITAL MANAGEMENT

NOTE 26.1

RISK MANAGEMENT

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company issue new shares. Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet.

The gearing ratios were as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Net debt	4230.37	1920.50
Total equity	8217.22	4627.77
Net debt to equity ratio	0.51	0.41

NOTE 26.2 LOAN COVENANTS

The Company has complied with all loan covenants required under borrowing facilities.

NOTE : 27 RELATED PARTY TRANSACTIONS

NOTE : 27.1 CONTROLLING SHAREHOLDERS

Mr. Raman Bhatia

M/s Raman Bhatia HUF

Ms. Sarika Bhatia

NOTE : 27.2 FELLOW SUBSIDIARIES

Rebreathe Medical Devices India Private Limited
Techbec Industries Limited
Techbec Global Solutions Pvt. Ltd.-Investment

Associate Company

NIL

NOTE 27.3 KEY MANAGEMENT PERSONNEL AND THEIR RELATIVE

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over those entities. A number of these personnel transacted with the Company during the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel related entities on an arm's length basis.

Name of key management personnel, their relatives and entities over which they have control or significant influence with whom transaction were entered during the year or balance was outstanding at the balance sheet date are as follows:

Key management personnel and relatives:

Mr. Raman Bhatia

Ms. Sarika Bhatia

Mr.Vikas Bhatia

Mr.Nimesh Malhotra

Ms.Priya Pandey

Dr. Rajesh Mohan Rai

NOTE 27.4 TRANSACTION WITH RELATED PARTIES

The details of the related-party transactions entered into by the Company for the years ended 31st March 2023 and 31st March 2022 are as follows:

RELATED PARTIES TRANSACTIONS

Name of Related Party	Relationship	Nature of Transaction	Opening	Debit	Credit	Balance
Raman Bhatia	Managing Director	Remuneration	2.50	40.00	39.00	3.50
		Tour Advance	1.65	6.21	3.84	4.02
		Other Advances Paid	0.18	23.54	23.97	(0.25)
Sarika Bhatia	Whole Time Director	Remuneration	2.25	32.25	31.00	3.50
		Tour Advance	-	2.05	0.71	1.34
		Other Advances Paid	(0.09)	2.03	1.94	(0.00)
Nimesh Malhotra	Whole Time Director	Remuneration	1.13	6.83	7.95	0.00
		Other Advances Paid	-	2.60	2.60	-
Anupam Gupta	Director	Retainership Fees	-	6.99	6.99	-

Name of Related Party	Relationship	Nature of Transaction	Opening	Debit	Credit	Balance
Rajesh Mohan Rai	Director	Remuneration	-	6.00	4.19	1.80
Vikash Bhatia	Chief Financial Officer	Salary	1.14	11.52	11.70	0.96
		Sales (incl. Taxes)	-			-
		Tour Advance	0.12	1.98	1.99	0.11
		Other Advances Paid	-	-	-	-
Priya Pandey	Company Secretary	Salary	0.52	6.73	6.65	0.60
Service Solution	Entity in which director(s) or their relatives are interested	Sales (incl. Taxes)	30.50	541.89	271.22	301.17
		Purchases (incl. Taxes)	76.74	443.87	520.59	0.02
Bhatia Electronics	Entity in which director(s) or their relatives are interested	Sales (incl. Taxes)	157.79	1,358.12	613.08	902.83
		Purchases (incl. Taxes)	81.94	403.11	485.06	(0.00)
Bab Louie India LLP	Entity in which director(s) or their relatives are interested	Sales (incl. Taxes)	-	0.47	0.40	0.07
Arun Handa	Director	Salary	(1.00)	12.00	12.00	(1.00)
		Tour Advance	0.22	-	0.22	-
Aakarsha Handa	Relative of Director		(0.75)	9.00	9.00	(0.75)
		Techbec Global Solutions Pvt Ltd				
Sanjay Kumar Bhatt	**Director**	**Salary**		**3.78**	**2.83**	**0.95**
Service Solution	Entity in which director(s) or their relatives are interested	Purchases (incl. Taxes)			17.65	17.65
Bhatia Electronics	Entity in which director(s) or their relatives are interested	Purchases (incl. Taxes)		-	42.58	42.58

NOTE : 28 SEGMENT INFORMATION

Description of segments and principal activities

The Company's operations primarily comprise of Dealing in Commodities, Commodity Derivatives broadly falling in one segment as such there is no other reportable business segment as specified by Ind AS 109 issued by The Institute of Chartered Accountants of India.

The Geographical Segments considered for disclosure are Sales within India Sales outside India

Geographical Segment (based on Location of Customers)

Particulars	2022-23 ` in Lacs	2021-22 ` in Lacs
Segment Assets		
- within India	16,674.26	#REF!
- outside India	-	-
	16,674.26	**8,907.09**
Segment Revenue		
- within India	27,864.33	14,425.25
- outside India	-	-
	27,864.33	**14,425.25**

NOTE : 29 EARNINGS PER SHARE

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share as well as diluted earnings per share calculation are as follows:

(Amount in lacs)

Particulars	As at 31 March 2023	As at 31 March 2022
Profit (loss) attributable to equity shareholders	1,108.86	406.52
Paid-Up Equity Share Capital (Face Value of Share Rs.2/-)	1,063.27	933.27
Basic earnings per share	**1.04**	**0.43**
Diluted Earning Per Share	**1.11**	**0.41**

NOTE : 30 CONTINGENT LIABILITIES

(Amount in lacs)

Particulars	As at 31 March 2023	As at 31 March 2022
Claims against the Company not acknowledged as debts	132.3827	126.34
Outstanding Letter of Credit	419.15	642.06
Guarantees		
Guarantees issued by banks on behalf of the Company	**1767.58**	**1052.41**
Total contingent liabilities	**2319.11**	**1820.81**

NOTE : 31 COMMITMENTS

NON-CANCELLABLE OPERATING LEASES

The operating leases entered by the Company are cancellable on serving a notice of one to three months and accordingly, there are no non-cancellable operating leases required commitments for operating lease payments.

NOTE : 32 ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Financial assets		
- Cash & cash equivalents	-	-
Non-financial assets		
- Inventories	2085.66	1377.57
Total current assets pledged as security	**2,085.66**	**1,377.57**
Non-current		
Non-financial assets		
- Property, plant and equipment	1,339.72	538.93
Total non-current assets pledged as security	**1,339.72**	**538.93**
Total assets pledged as security	**3,425.38**	**1,916.50**

NOTE : 33 OTHER MATTERS

Particulars	As at 31 March 2023	As at 31 March 2022
CIF Value of Imports		
Raw Material	**3600.49**	**1559.17**
FOB Value of Exports	-	191.31
Income in Foreign Currencies	-	190.53
Expenditure in Foreign Currencies		
Raw Materials	3162.97	1206.15
Tour Advance & Advance Against Raw Material/Software License	8.17	19.82
Expenses	3.92	9.66
Asset (Software License)	0.44	51.75
Asset (Machinery)	136.72	-

Other Matters :-

(a) The VAT Department of Government of Haryana at Kundli had assessed the Sales Turnover of the company up to 30.06.2017 and created the demand of Rs.8.81 Lacs (Including Interest) for short submission of statutory forms on 12th March 2021. The Company paid the amount of Rs 2.28 lacs on 29th June,2020. Hence net demand of Rs 6.52 Lacs is payable as on balance sheet date. The company had charged the said amount to profit & loss account and reduce the advance payment Rs. 40.92 Lacs from the said Government Department .

(b) The income tax department has created demand of Rs 252.12 Lacs for the A.Y. 2017-18 on 26th of December 2019. The company had filed an appeal before Commissioner of Income Tax, New Delhi on 21st January 2020 and deposited Rs. 2.50 Lac against the same. The appeal is pending.

(c) The income tax department has created demand of Rs 143.36 Lacs for the A.Y. 2016-17 on 28th March 2022. The company had filed an appeal before Commissioner of Income Tax, New Delhi on 19th of April 2022. The appeal is pending.

(d) In the opinion of the Board, the current assets, loans and advances have a value on realization in the ordinary course of business, at least equal to the aggregate amount as shown in the Balance Sheet

(e) The company had received Rs. 71.05 Lacs from different customers against supply / to be supply of goods has been shown as advance from customers in books of accounts, will be adjusted against their outstanding after reconciliation of their accounts.

(f) The outstanding balances of sundry debtors ,creditors & securities are as per the books of accounts of the Company which are subject to confirmations and reconciliation, if any.

(g) Previous year figures have been regrouped/rearranged wherever found necessary.

(h) Note 1 to 33 are forming part of Balance Sheet, Profit & Loss & Cash Flow Statement and have been authenticated by the directors.

Significant accounting policies 1&2

The accompanying notes are an integral part of Consolidated financial statements

As per our report of even date

For Rohit KC Jain & Co.
Chartered Accountants
FRN: 020422N

CA Rohit Jain
(Partner)
M.No.- 099444

Place: Delhi
Date : 07-05-2023
UDIN : 23099444BGXUX07296

For and on behalf of the Board of Directors of
Servotech Power Systems Limited

Raman Bhatia
(Managing Director)
DIN-00153827

Sarika Bhatia
(Whole-time Director)
DIN-00155602

Priya Pandey
(Company Secretary)
M.No.- 35815

Vikas Bhatia
(Chief Financial Officer)
PAN- AJNPB0303P

SERVOTECH POWER SYSTEMS LIMITED

CIN:- L31200DL2004PLC129379
Registered Office: 806, 8th Floor, Crown Heights,
Crown Plaza, Sector-10, Rohini, New Delhi-110085
Phone: 011-41117657-58-59-60
E-mail: investor.relations@servotechindia.com **Website-** www.servotech.in

NOTICE

NOTICE is hereby given that the 19th Annual General Meeting ("AGM") of Servotech Power Systems Limited ("the Company") will be held on Saturday, 30th September, 2023 at 11:00 A.M. ("IST") through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt

a) The Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2023, together with the Reports of the Board of Directors and the Auditors thereon; and

b) The Audited Consolidated Financial Statements for the financial year ended 31st March, 2023, together with the Reports of the Auditors thereon;

2. To declare Dividend on Equity Shares for the year ended 31st March, 2023.

3. To confirm the payment of Interim Dividend already paid of Rs. 0.20/- (Rupees Twenty Paise Only) per equity share of face value of Rs. 10/- of the Company for the financial year 2022-23.

4. To appoint a Director in place of Ms. Sarika Bhatia (DIN: 00155602), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

5. To approve the re-appointment of Ms. Sarika Bhatia (DIN: 00155602), as the Whole-time Director of the Company for a period of 5 (five) years and approve payment of remuneration and in this regard, to consider and, if thought fit, to pass, with or without modification(s) the following resolution as Special Resolution:

"**RESOLVED THAT** in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and any other applicable provisions of the Act (including any statutory modification(s), clarification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of Board of Directors of the Company and provisions of Articles of Association of the Company, consent of the Members of the Company, be and is hereby accorded to re-appoint Ms. Sarika Bhatia (DIN: 00155602), as the Whole-time Director of the Company, for a further period of 5 (five) years w.e.f. 21st August, 2024 on such terms and conditions including remuneration as stated in the explanatory statement attached hereto, with the power to the Board to grant increments and alter and vary the terms and conditions including remuneration, subject to the same not exceeding the overall ceiling of the total managerial remuneration as provided under Section 197 of the Act or such other limits as may be prescribed from time to time in accordance with the Remuneration Policy of the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits, in any financial year, notwithstanding anything to the contrary herein contained, during his tenure, aforesaid remuneration the shall be paid as minimum remuneration, subject to Part-II of Schedule V of Act or any amendment thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, things and matters as may be deemed necessary, proper or expedient to give effect to this resolution and/or to make any modification as may be deemed necessary in the best interest of the Company."

6. To approve the re-appointment of Mr. Anupam Gupta, (DIN: 09050762) as the Non-Executive Independent Director of the Company for a second term of 3 consecutive years and in this connection,if thought fit,to pass, with/without modification(s), the following resolution as a Special Resolution:

"**RESOLVED THAT** in accordance with the provisions of Section 149, 152 read with other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Schedule IV to the Companies Act, 2013 and Regulation 17 of the SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute) and provisions of the Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to re-appoint Mr. Anupam Gupta, (DIN: 09050762) as the Non-Executive Independent Director of the Company, for a further period of 3 (three) years w.e.f. 12th February, 2024, not liable to retire by rotation.

RESOLVED FURTHER THAT in accordance with the provisions of Regulation 17 of the Listing Regulations, approval be and is hereby given for continuation of Mr. Gupta, as an Independent Director of the Company on account of his attaining the age of 73 years on the said date.

RESOLVED FURTHER THATthe Board of Directors of the Company (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

7. To approve payment of remuneration to Mr. Raman Bhatia (DIN: 00153827), Managing Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and in accordance with the provisions of Sections 196, 197, 198 and 201 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modifications or re-enactment thereof, for the time being in force) read with Schedule V of the said Act and other applicable provisions, if any, and subject to the Articles of Association of the Company, approval of the Members be and is hereby accorded to make revision in the remuneration of Mr. Raman Bhatia (DIN: 00153827), Managing Director of the Company as per the terms and conditions as mentioned in explanatory statement which form part of this notice, with the power to the Board to grant increments and alter and vary the terms and conditions including remuneration, subject to the same not exceeding the overall ceiling of the total managerial remuneration as provided under Section 197 of the Act or such other limits as may be prescribed from time to time in accordance with the Remuneration Policy of the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits, in any financial year, notwithstanding anything to the contrary herein contained, during his tenure, aforesaid remuneration the shall be paid as minimum remuneration, subject to Part-II of Schedule V of Act or any amendment thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, things and matters as may be deemed necessary, proper or expedient to give effect to this resolution and/or to make any modification as may be deemed necessary in the best interest of the Company."

8. To ratify the remuneration of Cost Auditors for the financial year 2023-24 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the recommendation of Audit Committee and approval of the Board of Directors and provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s), clarification(s) or re-enactment(s) thereof for the time being in force), the remuneration of INR 30,000/- (Rupees Thirty Thousand Only) plus service tax as applicable, payable to M/s. NN Sharma & Associates, Cost Accountants (Firm Reg. No.:101702) to carry out audit of cost records of the Company for the financial year 2023-24, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, things and matters as may be deemed necessary, proper or expedient to give effect to this resolution and/or to make any modification as may be deemed necessary in the best interest of the Company."

9. To consider and fix the fees for delivery of documents requested by a member through a particular mode and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 20 of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the members be and is hereby accorded to charge such fees from the members as an advance amount in lump sum or otherwise against any estimated or actual expenses to be incurred, pursuant to any request made by the shareholders towards delivery of the documents to them through a particular mode (including but not limited to by post or by registered post or by speed

post or by courier or by electronic mode or by any other mode as may be prescribed) provided such request along with requisite fee shall be duly received by the Company at least 7 (Seven) days in advance of the dispatch of document by the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof be and are hereby authorized to perform all such acts and things and to sign all such deeds and documents, as may be considered necessary, desirable or expedient to give effect to this resolution."

FOR AND ON BEHALF OF
SERVOTECH POWER SYSTEMS LIMITED

PRIYA PANDEY
COMPANY SECRETARY
ICSI MEMBERSHIP NO.: A35815

Date: 28th August, 2023
Place: New Delhi

Registered Office:
Add.: 806, 8th Floor, Crown Heights,
Hotel Crown Plaza, Sector-10, Rohini,
New Delhi-110085

NOTES:-

1. The explanatory statement, pursuant to Section 102 of the Companies Act, 2013 ("the Act"), setting out material facts relating to the Ordinary/Special Businesses to be transacted at the Annual General Meeting ("AGM"/"Meeting") is annexed hereto.

2. The Ministry of Corporate Affairs ("MCA") has, vide its Circular No. 2/2022 dated 5th May, 2022 Circular No. 14/2020 dated 8th April 2020, Circular No. 17/2020 dated 13th April 2020, issued by the Ministry of Corporate Affairs ("MCA Circulars") followed by Circular No. 20/2020 dated 5th May, 2020, and Circular No. 02/2021 dated 13th January, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue for the 19th AGM shall be the Registered Office of the Company.

3. Generally, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and on a poll to vote instead of himself/herself, Since, this meeting is being held through VC/OAVM under the framework of MCA and SEBI circulars where physical presence of the Members has been dispensed with, accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act will not be available for the 19th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. The attendance of Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

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

7. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to rndregular@gmail.com with a copy marked to evoting@nsdl.co.in.

8. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.servotech.in, websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nse.in respectively, and on the website of NSDL at https://www.evoting.nsdl.com.

9. The Share Transfer Books and Register of Members Books of the Company will remain closed from Saturday, 23rd September, 2023 to Saturday, 30th September, 2023 (both days inclusive) the purpose of the AGM.

10. Kindly note that as per SEBI (Listing Obligations and Disclosure Requirement Regulations), 2015, as amended from time to time ("Listing Regulations"), it is mandatory for the Company to print the bank account details of the investors in dividend payment instrument. Hence, Shareholders are requested to register/update your correct bank account details with the Company/RTA/Depository Participant, as the case may be. Shareholders are requested to follow the process as guided herein below to register their mandate for receiving Dividend directly in their Bank accounts.

11. As per the provisions of Section 72 of the Act and circulars issued by SEBI, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she should submit the request in ISR-3 or SH-14 as the case may be. The Forms can be downloaded from Company`s website https://servotech.in/investors/investors-corner/updation-

physical-shareholders. Members are requested to submit the said details to their Depository Participant in case the shares are held by them in dematerialized form and to the Company's Registrar and Transfer Agent ('RTA') in case the shares are held by them in physical form, quoting their folio number.

12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send the details of such folios together with the share certificates for consolidating their holdings in one folio to the Company or Company's RTA i.e. Bigshare Services Private Limited 302, Kushal Bazar, 32-33, Nehru Place, New Delhi 110019, Tel.: 011-42425004, Email: mukesh@bigshareonline.com ("RTA/Bigshare") and a consolidated share certificate will be issued to such Members after making requisite changes.

13. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number ("PAN"), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.

    a. **For shares held in electronic form:** to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the Members.

    b. **For shares held in physical form:** to the Company's RTA in prescribed Form ISR-1 and other forms pursuant to SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021, as per instructions mentioned in the form. The said form can be downloaded from the company's website at https://servotech.in/investors/investors-corner/updation-physical-shareholders and is also available on the website of the RTA.

14. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the company's website at https://servotech.in/investors/investors-corner/updation-physical-shareholders and is also available on the website of the Company's Registrar and Share Transfer Agent i.e. Bigshare Financial Services Private Limited ("Bigshare/RTA"). It may be noted that any service request can be processed only after the folio is KYC Compliant.

15. SEBI vide its notification dated 24th January, 2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or the Company's RTA i.e. Bigshare, for assistance in this regard.

16. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to the Company at investor.relations@servotechindia.com or to its RTA at info@bigshareonline.com. Shareholders are requested to refer to communication on this subject sent by the Company to them through e-mail or may visit the Company website www.servotech.in, for further details and formats of declaration.

    Kindly note that the relevant documents should be emailed to Bigshare Financial Services Private Limited, the Registrar and Transfer Agent ("Bigshare") of the Company, at info@bigshareonline.com. You can also email the same to investor.relations@servotechindia.com.

    In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your income tax return. No claim shall lie against the Company for taxes so deducted at higher rate. Copies of the TDS certificate will be emailed to you at your registered email ID.

17. The members intending to seek any information on Annual Financial Statements or any matter placed/to be placed at the meeting are requested to kindly write to the Company on or before -10th September, 2023 through email on investor.relations@servotechindia.com. The same will be replied by the Company suitably.

18. The additional details of Directors retiring by rotation/seeking appointment/re-appointment, pursuant to Regulation 36(3) of the Securities and Exchange Board of India

("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations") and the Secretarial Standards issued by the Institute of Company Secretaries of India, is annexed as **Annexure-I** and forms integral part of this Notice.

19. In accordance with the provisions of Section 124(2) of the Act, the Company has uploaded the details of unclaimed dividend in respect of interim dividend declared during the financial year 2022-23, on the website of the Company. Shareholders may kindly check the said information and if any dividend amount is appearing as unpaid against their name, they may lodge their claim, duly supported by relevant documents to the Company.

20. The Final Dividend for the Financial Year 2022-23, as recommended by the Board of Directors, if approved at the AGM, would be paid/credited by Date(within 30 days) subject to deduction of tax at source, to the shareholders or their mandates:

    a) Whose names appear as Beneficial Owners as at the end of the business hours on , 22nd September, 2023 ("cut-off Date"), in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and

    (b) Whose names appear as Shareholders in the Register of Members of the Company after giving effect to valid share transfers with the Company / Bigshare Financial Services Private Limited or before 22nd September, 2023.

21. All the documents referred to in the accompanying notice and explanatory statement annexed thereto shall be available for inspection by the members at the Registered Office of the Company on all working days (except Saturdays, Sundays & Public Holidays) during 11:00 a.m. to 02:00 p.m. from the date of circulation of this notice up to the date of AGM. These documents along with the extracts from Register of Directors and Key Managerial Personnel & their shareholding and the Register of Contracts & Arrangements in which directors are interested shall be available for inspection in electronic mode during the meeting to any person having right to attend the meeting.

22. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.

23. 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 facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

1. Voting through electronic means

I. In compliance with 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 Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

II. Mr. Debabrata Deb Nath, Partner- R&D Company Secretaries ("ICSI Membership No. 7775 and C.P. No. 8612"), has been appointed as the Scrutinizer to scrutinize the remote e-voting process and the voting at AGM in a fair and transparent manner.

III. The cut-off date for the purpose of voting (including remote e-voting) is 22nd September, 2023.

IV. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

V. The remote e-voting facility will be available during the following period after which the portal shall forthwith be blocked and shall not be available:

Commencement of remote e-voting	09:00 a.m. (IST) on 27th September, 2023
End of remote e-voting	05:00 p.m. (IST) on 29th September, 2023

VI. During this period, Members holding shares either in physical form or in dematerialized form, as on 22nd September, 2023 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM

through VC/OAVM facility and have not cast 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 during the AGM.

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

The remote e-voting period begins on 27th September, 2023 at 09:00 A.M. and ends on 29th September, 2023 at 05:00 P.M. 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, 22nd September, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, 22nd September, 2023.

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to **e-Voting website of NSDL** for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS Portal**" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speed**e" facility by scanning the QR code mentioned below for seamless voting experience NSDL Mobile App is available on App Store Google Play

Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
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 evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 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 helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

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

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

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

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

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      ii. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and who's 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 **rndregular@gmail.com** with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/Password?**" or "**Physical User Reset Password?**" option available on **www.evoting.nsdl.com** to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of **www.evoting.nsdl.com** or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms Pallavi Matre at **evoting@nsdl.co.in**.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E-MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:-

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor.relations@servotechindia.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor.relations@servotechindia.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

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

4. In terms of SEBI circular dated 9th December, 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 AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the EGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join 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. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/Folio number, PAN and mobile number at investor.relations@servotechindia.com between Friday, 8th September, 2023 (09.00 a.m. IST) and Monday, 11th September, 2023 (05.00 p.m. IST). The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

OTHER INSTRUCTIONS

i. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date i.e. 22nd September, 2023. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories, as on cut-off date only shall be entitled to avail the facility of e-Voting system during the AGM.

ii. The result shall be declared not later than 48 hours from conclusion of this Annual General Meeting. The results declared shall be communicated to National Stock Exchange of India Limited, NSDL, M/s. Bigshare Financial Services Private Limited (i.e. Registrar & Share Transfer Agent of the Company) and shall also be displayed on the website of the Company i.e. www.servotechindia.com.

iii. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on date of Annual General Meeting i.e. Saturday, 30th September, 2023.

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

ITEM NO.: 3 & 4

The Board in its meeting held on 28th August, 2023 had recommended the final dividend of Rs. 0.02 paisa per equity Share of face value of Rs. 1/- of the Company subject to approval of shareholders of the Company.

Company had also declared the interim dividend already paid vide Board Meeting held on 21st January, 2023 of Rs. 0.20 paisa per equity Share of face value of Rs. 10/- of the Company and the same has been paid to the shareholders on 3rd February, 2023.

Note: The Company has sub-divided the equity shares of the Company. Equity share of face value of Rs. 10/- subdivided into 5 equity shares of Rs. 2/- each with effect from 3rd February, 2023. Due to high demand of the shares the Company sub-divided equity shares of the Company (Stock Split 2) i.e. 1 equity share of face value of Rs. 2/- sub-divided into 2 equity shares of Rs. 1/- each.

ITEM NO.: 5

Ms. Sarika Bhatia, was re- appointed and designated as Whole-time Director of the Company by the Board at its Meeting held on 21st August, 2019 for a period of Five years i.e. from 21st August, 2019 to 20th August, 2024. The same was subsequently approved by the members at the AGM held on 29th September, 2019 and now re-appointed for further 5 years w.e.f 21st August 2024.

Further, considering the contribution of Ms. Bhatia and the progress made by the Company under her guidance and as per the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on 28th August, 2023 approved the revision in the remuneration of Ms. Bhatia for period of remaining term, therefore the approval of the members of the Company is sought for revision in the remuneration as provided in the Resolution no. 4 as minimum remuneration for the remaining period of her appointment, in case of inadequacy or absence of profits.

Ms. Bhatia satisfies all the conditions set out in Section 196 of the Companies Act, 2013 ("Act") and Part-I of Schedule V to the Act for being eligible for her appointment. She is not disqualified from being appointed as Director in terms of Section 164 of the Act. After her appointment as Whole-time Director, Ms. Bhatia has attended all the Board Meeting(s).

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Act. Details of Ms. Bhatia are provided in the "Annexure" to the Notice pursuant to the provisions of the Listing Regulations and SS-2 issued by the ICSI.

The details of remuneration payable to Ms. Bhatia is as mentioned below:

1	Gross Remuneration	Gross Annual Remuneration of Rs. 1.2 Crores with such increments as may be decided by the Board of Directors (hereinafter referred to as "the Board" which term shall also be deemed to include the Nomination and Remuneration Committee and/or any other-subcommittee thereof constituted by the Board) within the scale from time to time during her tenure whether paid as salary and/or allowance(s) or a combination thereof.

2	Perquisites	The perquisites shall be paid as per the Rules of the Company in accordance with the provisions of the Income Tax Act, 1961.
3	Commission	Commission, if any, shall be paid over and above the total remuneration as mentioned hereinabove based on the net profits of the Company, computed in accordance with the provisions of the Act, in a particular financial year as may be determined by the Board.

The Board, therefore, recommends the **Special Resolution** at Item No. 5 of the Notice for approval by the Members.

Except Mr. Raman Bhatia (Spouse of Ms. Bhatia) and Ms. Bhatia herself, none of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolution set out at Item no. 5 of this Notice.

ITEM NO. 6

In terms of the provisions of Section 149 of the Companies Act, 2013 and Rules framed thereunder, the Shareholders of the Company, vide Annual General Meeting held on 30th September, 2021, had appointed Mr. Anupam Gupta (DIN: 09050762), as the Non-Executive Independent Director of the Company, for a period of 3 (three) years up to 11th February 2024 not liable to retire by rotation.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Anupam Gupta as an Independent Director, for a second term of 3 (three) consecutive years, on the Board of the Company. The performance of the Director i.e. Mr. Anupam Gupta had been very much in line with expectations and of the require standards.

The Board of Directors and Nomination and Remuneration Committee, considering the expertise, experience and contribution made by Mr. Gupta during the first term and based on his performance evaluation, approved his re-appointment as Independent Director for a period of 3 (three) years Subject to the approval of Shareholders at this Annual General Meeting.

The Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a Member proposing the candidature of Mr. Gupta for the office of Director of the Company, not liable to retire by rotation.

Mr. Gupta is a seasoned Senior Management & Engineering professional with more than 42 years of experience of managing manufacturing operations, Product Development and R&D, New projects, foreign collaborations & Joint-Ventures. He was member ACMA committee on Technology, and R&D.

The additional details of Mr. Gupta as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India are set out in the Annexure-I forming part of this Notice. He does not hold any shares in the Company. The letter of appointment of Mr. Gupta containing terms of his appointment, is available for inspection by Members on the website of the Company at www.servotech.in.

Details of Mr. Gupta is provided in the "Annexure" to the Notice, pursuant to the provisions of (i) SEBI Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives, except Mr. Gupta, is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

The Board considers that Mr. Gupta continued association would immensely benefit the Company and accordingly, recommends the resolution set forth in Item No. 6 for the approval of Members as a Special Resolution.

ITEM NO. 7

Mr. Raman Bhatia, was re- appointed as Managing Director for 5 (five) years, w.e.f 1st June, 2022 in AGM held on 30th September 2021.

Further, considering the leadership skill and strategic decisions taken by Mr. Bhatia and the progress made by the Company under his guidance and as per the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on 28th August, 2023 approved the revision in the remuneration of Mr. Bhatia for a period of remaining term, therefore the approval of the members of the Company is sought for revision in the remuneration as provided in the Resolution no. 7 as minimum remuneration for the remaining period of his appointment, in case of inadequacy or absence of profits.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Act. Details of Mr. Bhatia are provided in the "Annexure" to the Notice pursuant to the provisions of the Listing Regulations and SS-2 issued by the ICSI.

The details of remuneration payable to Mr. Bhatia is as mentioned below:

Gross Remuneration	Gross Annual Remuneration of Rs 1.2 Crores, with such increments as may be decided by the Board of Directors (hereinafter referred to as "the Board" which term shall also be deemed to include the Nomination and Remuneration Committee and/or any other-subcommittee thereof constituted by the Board) within the scale from time to time during her tenure whether paid as salary and/or allowance(s) or a combination thereof

Perquisites	The perquisites shall be paid as per the Rules of the Company in accordance with the provisions of the Income Tax Act, 1961.
Commission	Commission, if any, shall be paid over and above the total remuneration as mentioned hereinabove based on the net profits of the Company, computed in accordance with the provisions of the Act, in a particular financial year as may be determined by the Board.

The Board, therefore, recommends the Special Resolution at Item No. 7 of the Notice for approval by the Members.

Except Mr. Raman Bhatia (Spouse of Ms. Bhatia) and Ms. Bhatia herself, none of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolution set out at Item no. 7 of this Notice.

ITEM NO. 8

The Board of Directors of the Company, on recommendation of the Audit Committee, at its meeting held on 21st July, 2023, had re-appointed M/s. N N Sharma & Associates, Cost Accountants (FRN. No. 101702) as Cost Auditors for the Financial Year 2023-24 at a remuneration of Rs. 30,000/- (including out of pocket expenses) plus applicable taxes.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records & Audit), Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company.

Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors to conduct the cost audit for the Financial Year 2023-24.

None of Directors, Key Managerial Personnel of the Company or their relatives are in any way connected or interested, financially or otherwise, in the Ordinary Resolution set out in Item No. 8 of the Notice.

The Board recommends the Ordinary Resolution set out at item no. 8 of the Notice for approval of the members.

ITEM NO. 9

As per the provisions of Section 20 of the Companies Act, 2013, read with Rule 35 of the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), a shareholder may request for document through a particular mode, for which the shareholder shall pay such fees as an advance amount in lump sum or otherwise against any estimated or actual expenses to be incurred towards delivery of such documents as may be determined by the Company in its Annual General Meeting. Since the cost of providing documents may vary according to the mode of service, weight and its destination etc., therefore it is proposed that actual expense that may be borne by the Company for such dispatch will be paid in advance by the shareholder to the Company. Further, such request along with requisite fee shall be duly received by the Company at least 7 (Seven) days in advance of the dispatch of document by the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

The Board recommends passing of the Ordinary Resolution as set out under item no. 9 of the accompanying notice for approval of the shareholders of the Company.

FOR AND ON BEHALF OF
SERVOTECH POWER SYSTEMS LIMITED

PRIYA PANDEY
COMPANY SECRETARY
ICSI MEMBERSHIP NO.: A35815

Date: 28th August, 2023
Place: New Delhi

Registered Office:
Add.: 806, 8th Floor, Crown Heights,
Hotel Crown Plaza, Sector-10, Rohini,
New Delhi-110085

Annexure-1

DETAILS OF DIRECTORS SEEKING APPOINTMENT AND RE-APPOINTMENT AT THE 18TH ANNUAL GENERAL MEETING (PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, READ WITH SECRETARIAL STANDARD-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA)

PARTICULARS	DETAILS		
Name of Director	**Ms. Sarika Bhatia**	**Mr. Anupam Gupta**	**Mr. Raman Bhatia**
Director's Identification Number (DIN)	00155602	09050762	00153827
Qualifications	Bachelor's in Commerce	Engineer IIT Bombay	Bachelor's in Commerce
Date of Birth & Age	30th June, 1978 (45 years)	16th August, 1950 (73 years)	22nd November, 1973 (49 years)
Date of First Appointment on Board	24th September, 2004	12th February, 2021	24th September, 2004
Nature of expertise in specific functional area	More than 15 years of experience in Sales, Marketing, Business Operations and Development.	Engineering professional with more than 42 years of experience of managing manufacturing operations, Product Development and R&D, New projects, foreign collaborations & Joint-Ventures.	More than 27 years of experience in Sales, Marketing, Business Operations and Development
List of Directorships of other Boards*	NIL	NIL	NIL
Chairmanship/Membership of Committees of other Boards	Committee of Board of Directors	• Nomination and Remuneration Committee • Corporate Social Responsibility Committee	• Audit Committee • Committee of Board of Directors
Number of Shares held in the Compan	2,57,96,750	NIL	6,70,06,900
Relationship between Directors inter-se	Wife of Mr. Raman Bhatia, Managing Director of the Company.	NIL	Husband of Ms. Sarika Bhatia, Whole-time Director of the Company
Last Salary Drawn (in Rs.)	Rs.34,50,000/- p.a.	Rs. 20,000/- as sitting fees	Rs.40,00,000/- p.a.

STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013 W.R.T. ITEM 3

1.	Background details	These details form part of the disclosure required under SEBI Listing Regulations provided herein below under the heading "Nature of expertise in specific functional area"
2.	Past remuneration	These details form part of the disclosure required under SEBI Listing Regulations provided herein below under the heading "Last Salary drawn"
3.	Recognition or awards	Mr. and Ms. Bhatia has been awarded with various awards namely "Chota Business Bade Sapne in 2010, Best Emerging Manufacturer of Led Lights & Solar Products In Delhi/NCR:2016, Green Entrepreneur of the Year 2016, Business Leadership Award in EV Chargers Manufacturing 2022, Charging Company of the Year Award, Presented By BIS Infotech, India Solar & E-Vehicle Expo Lucknow 2023
4.	Job profile and his suitability	These details form part of the disclosure required under SEBI Listing Regulations provided herein below under the heading "Nature of expertise in specific functional area"
5.	Remuneration proposed	These Details form part of explanatory statement
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The exact figures are not readily available. However, the proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top-level managerial persons having comparative qualifications and experience.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Mr. Bhatia is Managing Director (Promoter) and Ms. Bhatia is Whole-time Director (Promoter), Same as the managerial remuneration both does not have any other material pecuniary relationship with the Company.

The aforesaid should also be deemed to be notice of the abstract for terms of appointment and payment of remuneration the Whole-time Director.

In term of the provision of Schedule V of the Companies Act, 2013, additional disclosure is also given under appropriate head(s) in the Corporate Governance report which forms an integral part of this report.

FOR AND ON BEHALF OF
SERVOTECH POWER SYSTEMS LIMITED

PRIYA PANDEY
COMPANY SECRETARY
ICSI MEMBERSHIP NO.: A35815

Date: 28th August, 2023
Place: New Delhi

Registered Office:
Add.: 806, 8th Floor, Crown Heights,
Hotel Crown Plaza, Sector-10, Rohini,
New Delhi-110085

Servotech Power Systems Ltd.

Registered Office : 806, 8th Floor,
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