NOTES FORMING PART OF THE FINANCIAL STATEMENTS

COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

NOTE: 1
CORPORATE INFORMATION

Voltamp Transformers Limited was incorporated in the year 1967 as Voltamp Transformers Private Limited in Vadodara, as a Private Company limited by shares. Subsequently, it was converted into a Public Company, in the year 2006. It has its Registered Office in Vadodara, and the manufacturing plants are located at Makarpura, Vadodara and at Savli, District Vadodara.

The Financial Statements of the Company for the year ended 31st March, 2021 were authorized for issue in accordance with a resolution of the Board of Directors on 25th June, 2021.

NOTE: 2
BASIS OF PREPARATION

i. Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act as applicable.

ii. Historical cost convention

The financial statements have been prepared on a historical cost basis, except the following:

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans – plan assets measured at fair value.

iii. Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the Company's functional currency, and all values are rounded to the nearest Lakhs, except otherwise indicated.

2.1 COMPOSITION OF FINANCIAL STATEMENTS

The financial statements are drawn up in INR, the functional currency of the Company, and in accordance with Ind As presentation. The financial statements comprise:

- Balance Sheet
- Statement of Profit & Loss
- Statement of Changes in Equity
- Statement of Cash flow
- Notes to Financial Statement

2.2 SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANTORY NOTES

A. Property, Plant and Equipment:

i. Recognition and measurement

Freehold land is carried at cost and not depreciated. All other items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognized in the Statement of Profit and Loss.

If significant parts of an item of property, plant and equipment have different useful life, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

An Item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal of an item of property, plant and equipment is recognized in the Statement of Profit and Loss.

ii. Subsequent Expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Capital Work-in-Progress

Plant and properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying asset, borrowing costs capitalized in accordance with the Company's accounting policies. Such plant and Properties are classified and capitalized to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the asset are ready for their intended use.

iv. Depreciation

Depreciation is recognized so as to write off the cost of the assets (other than freehold land and Capital work in progress) less their residual values over their useful lives, using the written down value method as per the useful life prescribed in schedule II to the Companies Act, 2013. The Estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in the estimated accounted for on a prospective basis. The estimated useful lives are as mentioned below:

Asset	Useful Lives (Years)
Factory Building	30 years
Plant & Machinery	15 years
Electrical Installation	10 years
Furniture and Fixtures	10 years
Vehicles	8 years
Office Equipments	5 years
Computer & Hardware	3 years

B. Intangible Assets:

i. Recognition and measurement

Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any. Amortization is done over their estimated useful life on straight line basis from the date that they are available for intended use, subjected to impairment test.

ii. Amortization

Software, which is not an integral part of the related hardware is classified as an intangible asset and is amortized over the useful life of 3 years.

C. Impairment:

Non - financial assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite life may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Recoverable amount is the higher of fair valueless costs of disposal and value in use. If the recoverable amount of the asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in statement of Profit and Loss.

D. Inventories:

Inventories are measured at the lower of Cost and Net Realizable Value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work in progress, costs include an appropriate share of fixed production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The Net realisable value of work in progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

The comparison of cost and net realizable value is made on an item-by-item basis.

E. Trade Receivables:

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Trade receivables are carried at original invoice amount less any provisions for doubtful debts based on expected credit loss calculations. Provision for allowance are made where there is evidence of risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollectable it is written off, firstly against any provision available then to Statement of Profit and Loss Account.

F. Investments and Other Financial Assets:

Classification:

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

- Those to be measured subsequently at fair value (either through other comprehensive income, or through Statement of Profit and Loss), and
- Those measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt or equity investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, in case of a financial asset not at fair value through profit and loss, the Company measures a financial asset at its fair value plus, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through Statement of Profit and Loss are expensed in Statement of Profit and Loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(a) Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost.

(b) Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through Other Comprehensive Income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit and loss and recognized in other gains/ losses. Interest income from these financial assets is included in other income using the effective interest rate method.

(c) Fair value through profit and loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

Equity Instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to Statement of Profit and Loss. Dividends from such investments are recognized in Statement of Profit and Loss as other income when the Company's right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit and loss are recognized in other gain/losses in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Derecognition

A financial asset is derecognized only when

(a) The Company has transferred the rights to receive cash flows from the financial asset or

(b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Impairment

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets, which are not fair valued through profit or loss/OCI.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables and
- Other receivables not measures through profit and loss/OCI

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount.

G. Cash and Cash Equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and highly liquid investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from the operating, investing and financing activities of the Company segregated.

In the Cash-flow statement, cash and cash equivalents are shown net of bank overdrafts, which are included as current borrowings in liabilities on the balance sheet.

H. Financial Liabilities:

Measurement

All financial liabilities are recognized initially at fair value and in the case of loans, borrowings and payables recognized net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the Effective Interest rate (EIR) amortization process.

I. Foreign Currency Translation:

Transactions in foreign currencies are initially recorded by the Company at the rate of exchange prevailing on the date of the transaction.

Monetary assets and monetary liabilities denominated in foreign currencies remaining unsettled at the end of the year are converted at the exchange rate prevailing on the reporting date.

Differences arising on settlement or conversion of monetary items are recognized in statement of profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/ (losses).

J. Revenue recognition:

I. Revenue from sale of product:

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue from the sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on the delivery of the goods.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer e.g. unbilled revenue. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset i.e. unbilled revenue is recognized for the earned consideration that is conditional.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognized as revenue when the Company performs under the contract.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash component and consideration payable to the customer like return, allowances, trade discounts and volume rebates.

Sales are disclosed excluding net of sales returns, service tax, value added tax and Goods and Services Tax (GST).

II. Revenue from sale of Service:

Revenue from service related activities is recognized as and when services are rendered and on the basis of contractual terms with the parties.

K. Other Incomes

I. Dividend income:

Revenue is recognised when the Company's right to receive the payment is established.

II. Interest income:

Interest income from the financial assets is recognized on a time basis, by reference to the principle outstanding using the effective interest method provided it is probable that the economic benefits associated with the interest will flow to the Company and the amount of interest can be measured reliably. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

III. Export incentives:

Export incentives are recognized when the right to receive them as per the terms of the entitlement is established in respect of exports made.

IV. Other income:

i) Other income is accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

ii) Claims/Insurance Claim etc, are accounted for when no significant uncertainties are attached to their eventual receipts.

L. Employee benefits:

i. Defined Benefit Obligation Plans:

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is funded through annual contributions to Life Insurance Corporation of India (LIC) under its Company's Gratuity Scheme. The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

outflows using interest rates of Government bonds. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Past-service costs are recognized immediately in profit or loss.

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year and are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of Government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in profit or loss in the period in which they arise. Past-service costs are recognized immediately in profit or loss.

ii. Defined Contribution Plans:

Superannuation fund:

The Company has a superannuation plan for the benefit of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. Such contributions are recognized as an expense as and when incurred. The Company does not have any further obligations beyond this contribution.

Provident Fund & Employee State Insurance:

Contribution towards provident fund and employee state insurance for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

iii. Short-term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

M. Borrowing costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

N. Taxation:

i. Current Income Tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii. Deferred Tax:

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilize those temporary differences.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

O. Provisions and Contingencies:

i. Provisions:

Provisions for legal claims, product warranties and make good obligations are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Long-term provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money. Short term provisions are carried at their redemption value and are not offset against receivables from reimbursements.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

ii. Contingent Liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

P. Government Grants:

Government grants are recognized only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Deferred income is recognized in the statement of profit or loss on a systematic and rational basis over the useful life of the asset. Government grants related to revenue are recognized on a systematic basis in the statement of profit or loss over the periods as and when related oblinecessary to match them with the related costs which they are intended to compensate.

Q. Earnings per Share:

(i) Basic earnings per share

Basic earnings per equity share are calculated by dividing:

- The profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares.
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

R. Leases:

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

Lease Liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

Right-of-use assets

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement

Lease Liability

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset.

Impairment

Right of use assets is evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short term Lease:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the Company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

S. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker "CODM" of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segment. The Company has monthly review and forecasting procedure in place and CODM reviews the operations of the Company as a whole.

T. Exceptional items:

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly are disclosed separately, if any.

2.3 KEY ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

While preparing financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on the management estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgment, estimates and assumptions are required in particular for:

(i) Determination of the estimated useful life of tangible assets:

Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(ii) Recognition and measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

(iii) Recognition of deferred tax liabilities:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

(iv) Discounting of financial assets / liabilities:

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial assets / liabilities which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

(v) Provisions:

Significant estimates are involved in the determination of provisions related to liquidated damages and warranty costs. The Company records a provision for onerous sales contracts when current estimates of total contract costs exceed expected contract revenue. The provision for warranty, liquidated damages, onerous contracts is based on the best estimate required to settle the present obligation at the end of the reporting period.

Legal proceedings often involve complex legal issues and are subject to substantial uncertainties. Accordingly, considerable judgment is part of determining whether it is probable that there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a Legal Proceeding will result in an outflow of resources and whether the amount of the obligation can be reliably estimated. Internal and external counsels are generally part of the determination process.

3. Recent Accounting Pronouncements:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendment revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a Company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc. Statement of profit and loss:
- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

  The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

4 Property, Plant and Equipments

Particulars	Land - Freehold	Buildings	Office Building on Lease	Plant and Equipments	Electrical Installations	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
Gross carrying amount As at 01-04-2020	**358.24**	**3,223.26**	**56.95**	**3,472.68**	**181.10**	**154.87**	**324.62**	**136.15**	**53.53**	**7,961.40**
Additions	----	107.41	----	141.05	80.50	6.24	23.48	25.80	5.11	389.59
Disposal	----	----	----	15.04	----	----	85.78	26.72	1.98	129.52
Gross carrying amount As at 31-03-2021	**358.24**	**3,330.68**	**56.95**	**3,598.70**	**261.60**	**161.10**	**262.31**	**135.23**	**56.66**	**8,221.47**
Accumulated Depreciation:										
Opening accumulated depreciation										
As at 01-04-2020	----	**777.45**	**10.32**	**1,176.60**	**60.34**	**87.02**	**65.55**	**74.77**	**37.81**	**2,289.86**
Charge for the year	----	232.21	2.27	411.80	37.41	15.83	81.81	30.65	8.89	**820.87**
Disposal	----	----	----	14.28	----	----	74.05	25.38	1.93	**115.64**
Closing accumulated depreciation										
As at 31-03-2021	----	**1,009.66**	**12.59**	**1,574.12**	**97.75**	**102.85**	**73.31**	**80.04**	**44.77**	**2,995.09**
Net carrying amount:										
As at 31-03-2021	**358.24**	**2,321.01**	**44.36**	**2,024.58**	**163.85**	**58.25**	**189.01**	**55.19**	**11.88**	**5,226.38**

Particulars	Land - Freehold	Buildings	Office Building on Lease	Plant and Equipments	Electrical Installations	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
Gross carrying amount:										
Gross carrying amount As at 01-04-2019	**358.24**	**2,721.42**	**56.95**	**2,490.32**	**129.43**	**127.28**	**293.46**	**92.72**	**42.51**	**6,312.33**
Additions	----	501.84	----	993.19	51.68	27.59	174.81	43.43	11.02	1,803.56
Disposal	----	----	----	10.84	----	----	143.65	----	----	**154.49**
Gross carrying amount As at 31-03-2020	**358.24**	**3,223.26**	**56.95**	**3,472.68**	**181.10**	**154.87**	**324.62**	**136.15**	**53.53**	**7,961.40**
Accumulated Depreciation:										
Opening accumulated depreciation										
As at 01-04-2019	----	**556.37**	**7.92**	**777.05**	34.41	**70.20**	**126.24**	**59.36**	**23.46**	**1,655.01**
Charge for the year	----	221.08	2.39	404.53	25.93	16.82	66.21	15.41	14.36	**766.72**
Disposal	----	----	----	4.97	----	----	126.90	----	----	**131.87**
Closing accumulated depreciation										
As at 31-03-2020	----	**777.45**	**10.32**	**1,176.60**	**60.34**	**87.02**	**65.55**	**74.77**	**37.81**	**2,289.87**
Net carrying amount:										
As at 31-03-2020	**358.24**	**2,445.81**	**46.63**	**2,296.08**	**120.76**	**67.85**	**259.07**	**61.38**	**15.72**	**5,671.53**

5 Capital Work-in-Progress

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital Work in Progress	828.65	121.78

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

6 Intangible assets

Particulars	Computer Software	Technical Know How	Total
Gross carrying amount:			
Gross carrying amount As at 01-04-2020	**366.65**	**71.21**	**437.86**
Additions	5.58	----	5.58
Gross carrying amount As at 31-03-2021	**372.23**	**71.21**	**443.44**
Accumulated Amortization:			
Closing accumulated amortization As at 01-04-2020	**277.45**	**60.00**	**337.45**
Depreciation charged during the year	53.08	11.21	**64.29**
Closing accumulated amortization As at 31-03-2021	**330.53**	**71.21**	**401.74**
Net carrying amount:			
As at 31-03-2021	**41.70**	----	**41.70**
Gross carrying amount:			
Gross carrying amount As at 01-04-2019	**289.72**	**71.21**	**360.93**
Addition	76.93	----	**76.93**
Disposal			
Gross carrying amount As at 31-03-2020	**366.65**	**71.21**	**437.86**
Accumulated Amortization:			
Closing accumulated amortization As at 01-04-2019	**159.96**	**44.97**	**204.93**
Depreciation charged during the year	117.49	15.03	**132.52**
Closing accumulated amortization As at 31-03-2020	277.45	**60.00**	**337.45**
Net carrying amount:			
As at 31-03-2020	**89.20**	**11.21**	**100.41**

7. Investments

Particulars	No of Unit	As at 31st March, 2021	No of Unit	As at 31st March, 2020
Investments at fair value through other comprehensive income				
Investment in Equity Instruments (Quoted)				
Siemens Ltd.	620	11.43	620	6.89
Bharat Bijlee Ltd.	----	----	200	1.13
		11.43		**8.02**
Investments at Amortised cost				
Investments in Preference Shares (Quoted)		705.32		805.44
Investments in Bonds (Quoted)		15,002.52		8,827.22
		15,707.84		**9,632.66**
Investments at fair value through profit or loss				
Investments in Mutual Funds (Quoted)				
- Debt Funds		27,093.99		21,394.74
- Equity Funds		2,023.47		6,598.77
Investment in Portfolio Management Service and AIF		2,046.87		4,073.62
		31,164.33		**32,067.13**
Total		**46,883.60**		**41,707.81**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
8	**Other financial assets**		
	Security deposit	53.83	54.16
	Bank deposit with original maturity of more than 12 months	1,817.48	1,674.04
	Total	**1,871.31**	**1,728.20**
9	**Deferred Tax Liabilities (Net)**		
	Deferred tax assets		
	The balance comprises temporary differences attributable to:		
	Provision for employee benefit	275.15	213.47
	Property, plant & equipments	39.70	45.79
	Remeasurements of the defined benefit plans	35.37	13.80
	Other	6.29	----
	Total DTA	**356.51**	**273.06**
	Deferred Tax Liability		
	The balance comprises temporary differences attributable to:		
	Financial asset at fair value through profit and loss	318.82	12.05
	Others	----	6.29
	Total DTL	**318.82**	**18.34**
	Net Deferred Tax Asset/(Liability)	**37.69**	**254.72**
10	**Other non - current assets**		
	Capital advance	35.53	141.11
	Advance payment of Income Tax (Net of Provision)	----	101.35
	Total	**35.53**	**242.46**
11	**Inventories**		
	Inventories (lower of cost and net realised value)		
	Raw material	3,991.52	2,116.67
	Components	767.38	350.13
	Work-in-process.	7,745.77	8,896.46
	Stores and spares	226.79	191.72
	Total	**12,731.46**	**11,554.98**
	The above inventories are hypothecated as securities to the bankers against the fund based and non fund based limits availed or to be availed by the Company.		
12	**Investments**		
	Investments at fair value through profit or loss		
	Investments in Mutual Funds (Quoted)		
	- Debt Funds	1,271.71	3,134.53
	- Equity Funds	60.76	----
	Investments in Bonds (Quoted)	1,009.73	550.10
	Total	**2,342.20**	**3,684.63**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
13	**Trade receivables**		
	Trade Receivables considered good - Secured	----	----
	Trade Receivables considered good - Unsecured	17,104.40	15,055.20
		17,104.40	**15,055.20**
	Trade Receivable which have significant increase in credit risk	----	16.12
	Trade Receivables credit impaired	----	----
		17,104.40	**15,071.32**
	Less : Expected Credit Loss Allowance	(32.28)	(42.93)
	Total	**17,072.12**	**15,028.39**
14	**Cash and cash equivalents**		
	Balances with banks		
	Cash credit account	1,933.22	466.73
	Current accounts	30.90	71.48
	Cash on hand	25.04	25.98
	Total	**1,989.16**	**564.19**
15	**Bank balances other than above**		
	In other deposit accounts		
	Term deposits with maturity period more 3 months but less than 12 Months	3.42	3.23
	Margin money deposit	20.60	20.07
	Unpaid dividend account	13.06	12.42
	Total	**37.08**	**35.72**
16	**Loans**		
	Loans Receivables considered good - Unsecured		
	Security deposit and other deposit	5.09	5.17
	Loans and advances to employees and others	17.36	23.24
	Total	**22.45**	**28.41**
17	**Other financial assets**		
	Interest income receivable on bonds	533.58	302.32
	Interest accrued on deposits	0.77	1.01
	Total	**534.35**	**303.33**
18	**Other Current Assets**		
	Unsecured, considered good		
	Advances to suppliers	1,229.99	560.17
	Prepaid Expenses	53.70	29.39
	Balances with Government authorities	94.10	63.60
	Export incentives receivable	10.55	8.21
	Total	**1,388.34**	**661.37**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

		Particulars	As at 31st March, 2021	As at 31st March, 2020
19	**Share Capital**			
	a)	**Authorised**		
		1,20,00,000 - Equity shares of ₹ 10/- each	1,200.00	1,200.00
			1,200.00	**1,200.00**
	b)	**Shares issued, subscribed and fully paid**		
		1,01,17,120 - Equity shares of ₹ 10/- each	1,011.71	1,011.71
			1,011.71	**1,011.71**
	c)	**Shares fully paid**		
		1,01,17,120 - Equity shares of ₹ 10/- each	1,011.71	1,011.71
			1,011.71	**1,011.71**

d) **Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.**

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Numbers	₹ in Lakhs	Numbers	₹ in Lakhs
At the beginning of the period	1,01,17,120	1,011.71	1,01,17,120	1,011.71
Add / (Less) : Changes during the year	----	----	----	----
At the end of the period	**1,01,17,120**	**1,011.71**	**1,01,17,120**	**1,011.71**

e) **Terms & Rights attached to each class of shares;**

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of the liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

f) **Shares held by shareholders each holding more than 5% of the shares**

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Numbers	% of holding	Numbers	% of holding
Equity shares with voting rights				
Kunjal Investments Private Limited	43,44,474	42.94	43,44,474	42.94
Kunjal Lalitkumar Patel	7,14,087	7.06	7,14,087	7.06
Nalanda India Fund Limited	7,88,340	7.79	7,88,340	7.79
Nalanda India Equity Fund Limited	6,47,732	6.40	6,47,732	6.40
Nippon Life India Trustee Company Limited	5,53,486	5.47	5,53,486	5.47

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
20	**Other Equity**		
	General Reserve	44,503.90	44,503.90
	Equity Instruments through Other Comprehensive Income	11.16	7.52
	Retained Earnings	37,887.42	29,298.81
	Total	**82,402.48**	**73,810.23**
	General Reserve (transfer of a portion of the net profit)		
	Balance as per the last financial statements	44,503.90	44,503.90
	Add: Current year transfer	----	----
	Total	**44,503.90**	**44,503.90**
	Equity Instruments through Other Comprehensive Income (Refer note below)		
	As per last Balance Sheet	7.52	18.92
	Add/Less : Additions/(Deletions) during the year	5.01	(2.84)
	Transfer of gain/(loss) on FVOCI equity investments to retained earnings	(1.37)	(8.56)
	Total	**11.16**	**7.52**
	Retained Earnings		
	Balance as per the last financial statements	29,298.81	23,137.93
	Add : Profit for the year as per Statement of Profit and Loss	11,221.68	8,937.71
	Add : Transfer of gain/(loss) on FVOCI equity investments	1.37	8.56
	Add/(Less): Remeasurement of the Net Defined benefit liability/asset, (net of tax effect)	(105.16)	(41.02)
	Less Appropriations: Dividend and Dividend distribution tax thereon (refer note 2)	(2,529.28)	(2,744.37)
	Total	**37,887.42**	**29,298.81**
	Note: 1. Equity Instrument held at FVOCI: The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument. Note: 2. The Board of Directors of the Company at the Board Meeting held on 11th May, 2020 has declared, approved and paid Interim dividend of ₹ 25 per Equity Share aggregating to ₹ 2529.28 lakhs for the Year 2019-20.		
21	**Provisions**		
	Provision for employee benefits		
	Provision for Gratuity (refer note 37)	678.24	462.25
	Provision for compensated absences	421.80	341.44
	Total	**1,100.04**	**803.69**
22	**Trade Payables**		
	Total outstanding due of micro enterprises and small enterprise (refer note 44)	178.96	184.37
	Total Outstanding due of creditors other than micro enterprise and small enterprise	501.28	505.89
	Total	**680.24**	**690.26**
23	**Other Financial Liabilities**		
	Unpaid dividends	13.06	12.29
	Trade/Security Deposit	86.60	33.07
	Payable towards other expenses	180.77	187.46
	Total	**280.43**	**232.82**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
24	**Other Current Liabilities**		
	Advances from Customers	3,466.06	2,923.97
	Statutory remittances	767.92	749.22
	Salary and wages payable	423.89	687.86
	Total	**4,657.87**	**4,361.05**
25	**Provisions**		
	Provision for employee benefits		
	Gratuity Payable (refer note 37)	77.40	77.60
	Provision for compensated absences	56.23	43.98
	Bonus	216.71	216.28
	Provision - Others		
	Warranties (refer note no. 41)	364.87	432.94
	Provision for unspent CSR (refer note no. 39)	24.02	----
	Total	**739.23**	**770.80**
26	**Current Tax Liabilities**		
	Provision for Tax (Net of Advance Tax)	170.02	7.37
	Total	**170.02**	**7.37**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
27	**Revenue from operations**		
	Sale of Products	67,296.74	83,432.79
	Sale of Services	1,554.43	1,802.52
		68,851.17	**85,235.31**
	Other Operating Revenue		
	Recoveries towards incidental services	379.82	622.39
		379.82	**622.39**
	Total	**69,230.99**	**85,857.70**
28	**Other Income**		
	Interest Income (refer note 28 (i))	1,198.86	946.44
	Dividend Income	105.48	351.58
	Other Non operating income (net of expenses directly attributable to such income)		
	Doubtful debts and written back, net	57.12	63.50
	Other Miscellaneous Income	42.69	80.66
	Export Incentives	16.20	38.79
	Net gain on foreign currency transaction and translation	7.90	11.73
	Other gains and losses		
	Net Gain/(loss) arising on financial asset designated as at FVTPL	3,228.05	(984.13)
	Net gain/loss on sale of investments	2,572.76	352.16
	Total	**7,229.06**	**860.73**
	Note No. 28 (i) Interest income		
	Details of Interest Income		
	Interest income comprises of :		
	Interest on banks deposits and others	158.65	144.44
	Interest on bonds	1,013.00	733.97
	Other Interest income	27.21	68.03
	Total - Interest income	**1,198.86**	**946.44**
29	**Cost of Raw Material and Components**		
	Cost of Raw Material Consumed	36,647.15	46,623.28
	Consumption of components and stores	15,100.48	19,460.03
	Total	**51,747.63**	**66,083.31**
30	**Changes in inventories of finished goods, work-in-process and stock-in-trade**		
	Inventories at the end of the year:		
	Work In Process	7,745.77	8,896.46
		7,745.77	**8,896.46**
	Inventories at the beginning of the year:		
	Work In Process	8,896.46	7,382.98
		8,896.46	**7,382.98**
	Net (increase) / decrease	**1,150.69**	**(1,513.48)**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
31	**Employee benefits expense**		
	Salaries, Wages and Bonus	3,009.57	3,035.00
	Contributions to Provident Fund and Other Funds (refer note 37)	303.18	280.18
	Staff Welfare	10.43	14.28
	Total	**3,323.18**	**3,329.46**
32	**Finance costs**		
	Bank interest	0.01	0.46
	Total	**0.01**	**0.46**
33	**Other Expenses**		
	Power and Fuel	314.20	458.78
	Bank Charges	60.20	72.05
	Labour Charges	1,424.37	1,632.36
	Repairs and maintenance :		
	- on building	44.40	117.98
	- on machinery	133.39	222.69
	- others	59.62	113.12
	Rent (refer note 36)	40.84	56.19
	Consultancy charges	499.94	914.87
	Auditor's Remuneration (refer below note)	11.70	10.30
	Travelling and conveyance	264.66	454.47
	Insurance	81.10	68.97
	Corporate social responsibility expenditures (Refer note 38)	195.93	161.42
	Selling and distribution expenditure	86.13	150.40
	Warranty Expenses (refer Note 41)	164.59	163.81
	Freight outward	1,371.20	1,435.31
	Sales Commission	78.31	76.79
	Bad debts/advances written off	5.43	30.60
	Security Expenses	71.17	80.21
	Miscellaneous expenses	400.10	363.53
	Total	**5,307.28**	**6,583.84**
	Notes: Auditor's Remuneration		
	Payments to the auditors comprises :		
	Statutory audit	11.50	10.00
	Reimbursement of Expenses	0.20	0.30
	Total	**11.70**	**10.30**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

		Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
34	**TAX EXPENSE**			
	(a)	**Income tax expense**		
		Current tax		
		Current tax on profits for the year	2,481.74	2,990.48
		Income Tax of earlier years	90.29	26.98
			2,572.03	**3,017.46**
		Deferred tax	252.39	(619.57)
			252.39	**(619.57)**
			2,824.42	**2,397.89**
	(b)	**Reconciliation of tax expense and the accounting profit multiplied by India's tax rate**		
		Profit before income tax expense	14,046.10	11,335.60
		Tax at the Indian tax rate of 25.17% (2019-20 – 25.17%)	**3,535.40**	**2,852.94**
		Tax effect of amounts which are not deductible / (taxable) in calculating taxable income: Income considered separately	(626.94)	(367.04)
		Tax-exempt income (Tax Free Bond Interest)	(206.67)	(250.71)
		Non-deductible tax expenses (Disallowances u/s 14A, 43B, Capital Expenditure etc)	6.37	130.06
		Depreciation	24.90	(18.91)
		Others	91.36	51.55
		Income Tax Expense	**2,824.42**	**2,397.89**

35 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

(₹ in Lakhs)

	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
i.	**Profit attributable to Equity share holders of Company**		
	Profit after tax available for equity share shareholders	11,221.68	8,937.71
	Weighted Average number of equity shares	1,01,17,120	1,01,17,120
	Basic/Diluted earnings per share		
	(Face value per share ₹ 10/- each)	110.92	88.34

36 Operating Leases

The Company has taken various premises under operating lease. The Lease agreements have no sub leases. These Lease are generally cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by lease agreements. The lease payment recognised in the statement of profit & loss during the year is ₹ 40.83 lakhs (P.Y. ₹ 56.19 lakhs).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

37 Employee benefits

[A] Defined contribution plans:

The Company makes contributions towards provident fund and superannuation fund to defined contribution retirement benefit plan for qualifying employees. The provident fund contributions are made to Government administered Employees Provident Fund. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary. The superannuation fund is administered by the Life Insurance Corporation of India. Under the plan, the Company is required to contribute a specified percentage of the covered employee's salary to the retirement benefit plan to fund the benefits. The scheme will not cover newly joined employees on or after October 1, 2009.

The Company recognised ₹ 202.30 lakhs (31.03.2020: ₹ 197.77 lakhs) for contributions to various funds in the Statement of Profit and Loss.

[B] Defined benefit plan:

The company's plan assets in respect of Gratuity are Partly funded through the Group Scheme of Life Insurance Corporation of India. The scheme provides for payment to vested employees as under:

i) On normal retirement / early retirement / withdrawal / resignation: As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On death in service: As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at March 31, 2021.

(₹ in Lakhs)

	Particulars	Gratuity - Funded as on	
		31st March, 2021	31st March, 2020
a)	**Reconciliation in present value of obligations (PVO) - defined benefit obligation:**		
	Present value of benefit obligation at the beginning of the period	1,408.74	1,228.83
	Interest cost	96.35	92.65
	Current service cost	60.05	51.98
	Actuarial (gains)/losses due to change in demographic assumptions, change in financial assumptions & change in experience	86.19	46.28
	Benefits paid	(20.99)	(11.00)
	Present value of benefit obligation at the end of the period	**1,630.34**	**1,408.74**
b)	**Change in fair value of plan assets:**		
	Fair value of plan assets at the beginning of the year	868.88	820.88
	Expected return on plan assets	59.43	61.89
	Return on plan assets, excluding Interest income	(54.33)	(8.54)
	Contributions by the employer	21.35	5.65
	Benefits paid	(20.65)	(11.00)
	Fair value of plan assets at the end of the year	**874.69**	**868.88**
c)	**Reconciliation of PVO and fair value of plan assets:**		
	Present value of benefit obligation at the end of the period	1,630.34	1,408.74
	Fair value of planned assets at the end of year	874.69	868.88
	Funded status	(755.64)	(539.85)
	Net asset/(liability) recognised in the balance sheet	**(755.65)**	**(539.86)**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

	Particulars	Gratuity - Funded as on 31st March, 2021	31st March, 2020
d)	**Net cost for the year ended:**		
	Interest cost	96.35	92.65
	Current service cost	60.05	51.98
	Expected return on plan assets	(59.43)	(61.89)
	Actuarial (gains)/ losses	140.52	54.81
	Net cost	**237.50**	**137.55**
e)	**Amount recognised in other comprehensive income**		
	Remeasurements :		
	Actuarial (gains)/ losses	140.52	54.81
f)	**Actual return on the plan assets:**	59.43	61.89
g)	**Major category of assets as at:**		
	Insurer managed funds	874.69	868.88
h)	**Assumption used in accounting for the gratuity plan:**		
	Discount rate (%)	6.33%	6.84%
	Rate of return on plan assets (for funded scheme)	6.33%	6.84%
	Expected retirement age of employees (years)	60 & 70	60
	Salary escalation rate (%)	7.50%	8.00%
	Rate of leaving service	8.00%	6.00%

Note 1: Discount rate is determined by reference to market yields at the balance sheet date on Government bonds, where the currency and terms of the Government bonds are consistent with the currency and estimated terms for the benefit obligation.

Note 2: The estimate of future salary increases taken into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Note 3: 100% of the plan assets are invested in group gratuity scheme offered by LIC of India along with bank balance.

I) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in Lakhs)

Particulars	31st March , 2021	31st March , 2020
Projected Benefit Obligation on Current Assumptions	1,630.35	1,408.74
Delta Effect of +1 % Change in Rate of Discounting	(92.26)	(71.09)
Delta Effect of -1 % Change in Rate of Discounting	103.49	80.51
Delta Effect of +1 % Change in Rate of Salary Increase	101.30	78.81
Delta Effect of -1 % Change in Rate of Salary Increase	(91.50)	(70.99)
Delta Effect of +1 % Change in Rate of Employee Turnover	(7.23)	(6.00)
Delta Effect of -1 % Change in Rate of Employee Turnover	7.98	6.63

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

(₹ in Lakhs)

Particulars	31st March , 2021	31st March , 2020
Total employee benefit liabilities		
Non-current	678.24	462.25
Current	77.40	77.60
Total	**755.64**	**539.85**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

[C] Other Long term Benefit plan:

The Company's Long Term benefits includes Leave Encashment payable at the time of retirement subject to, policy of maximum leave accumulation of Company. The scheme is not funded

(₹ in Lakhs)

Particular	Leave encashment	
	31st March , 2021	31st March , 2020
Obligation at the year beginning	385.42	342.03
Actuarial (gains) / losses on obligation	92.61	43.39
Obligation at the year end	**478.03**	**385.42**

38 Related party transactions

(A) Names of the related parties and description of relationship

I) List of Related Parties

Sr.No.	Name of related party	Nature of relation
1	Kunjal Investments Private Limited	Entity having significant influence over the Company
2	Shi Kunjalbhai L. Patel	Key Managerial Person (Vice Chairman & Managing Director) (Promoter)
3	Shri Kanubhai S. Patel	Key Managerial Person (Chairman & Managing Director)
4	Shri Hemant P. Shaparia	Independent Director
5	Smt. Paulomi Jabal Lashkari	Woman Independent Director
6	Shri Rajendra Chhotalal Patel	Independent Director
7	Shri Vallabh N. Madhani	Whole Time Director and CFO
8	Shri Ashish Surendrabhai Patel	Independent Director
9	Shri. Sanket K. Rathod	Company Secretary & Compliance officer
10	Smt. Urmilaben L. Patel	Relative of Key Managerial Person
11	Smt. Taral K. Patel	Non -Executive Director Relative of Key Managerial Person
12	Smt. Vanlila K Patel	Relative of Key Managerial Person
13	Haribhai Kevalbhai Patel Public Charitable Trust	Key Managerial Person is a Trustee
14	Samvedana Foundation	Key Managerial Person is a Director

(B) Particulars of Transactions with Related Parties

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Short term employee benefits	877.30	733.32
Post-employment benefits - defined contribution plan	108.36	98.92
Post-employment benefits - defined benefit plan	226.82	137.98
Other long term benefits	111.99	33.79
Dividend Paid	1,264.64	1,030.62
Director's sitting fees	1.60	1.10
Total Compensation paid to Key Managerial Personnel	**2,590.71**	**2,035.73**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Name of Related Party	Nature of transaction	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Shri Kunjalbhai L. Patel	Managerial Remuneration	436.47	382.35
Shri Kanubhai S. Patel	Managerial Remuneration	493.98	398.27
Shri Vallabh N. Madhani	Remuneration	42.45	41.17
Shri Sanket K. Rathod	Remuneration	12.76	10.45
Kunjal Investments Pvt Ltd	Dividend	1,086.12	900.26
Shri Kunjalbhai L. Patel	Dividend	178.52	130.36
Total		**2,250.30**	**1,862.86**

(C) The following balances were outstanding at the end of the reporting period:

(₹ in Lakhs)

Particulars	Amounts Owed to related parties as at	
	31st March, 2021	31st March, 2020
Shri Kunjalbhai L. Patel	132.90	138.72
Shri Kanubhai S. Patel	132.90	142.86
Total	**265.80**	**281.58**

39 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend atleast 2% of its average net profit for the immediate preceding three financial years on Corporate Social Responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per Act. The funds were Primarily allocated to a corpus and utilised through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

a) Gross Amount to be spent by the Company during the year is ₹ 195.93 Lakhs

b) Amount Spent during the year on:

(₹ in Lakhs)

Particular	In Cash	Yet to be paid in cash*	Total
i) Construction/acquisition of any asset	----	----	----
ii) On purpose other than (i) above	171.91	24.02	195.93
Total	**171.91**	**24.02**	**195.93**

Note:

* The Company has made provision for ₹ 24.02 lakhs for shortfall in CSR expenditure for Financial Year 2020-2021. This amount is related to ongoing project and hence is transferred to separate unspent CSR bank account before 30th April, 2021.

The Company has unspent CSR amount of ₹ 178.25 lakhs pertaining to earlier years.

40 Operating Segments

The Company has only one operating segment, i.e. manufacturing of electrical transformers.

Revenue contributed by any single customer in any of the operating segments, whether reportable or otherwise, does not exceed ten percent of the Company total Revenues.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

41 Disclosure relating to Provision

Provision for warranty

Warranty cost are provided based on a technical estimated of the costs required to be incurred for repairs, replacement, material cost, servicing and past experience in respect of warranty costs. It is expected that this expenditure will be incurred over the contractual warranty period.

The movement in the above provisions are summarised below:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance as at 1st April, 2020	432.95	292.55
Provision:		
Created	182.89	262.97
Utilised	(250.97)	(122.57)
Balance as at 31st March, 2021	**364.87**	**432.95**

42 Disclosure under Ind AS 115 Revenue from contracts with customers

The Company derives revenue from sale of products, service and scrap from its contract with customers. The revenue have been disclosed in Note No. 27.

(a) Disaggregation of revenue from contracts with customers

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue from contracts with customers		
Revenue from sale of products	67,296.74	83,432.79
Revenue from services income	1,554.43	1,802.52
Revenue from contracts with customers		
Revenue from sale of products		
India	65,354.92	81,905.81
Export (including deemed export)	1,941.82	1,526.99
Total	**67,296.74**	**83,432.80**
Revenue from services income		
India	1,554.07	1,800.64
Export	0.36	1.88
Total	**1,554.43**	**1,802.52**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

43 Contingent Liabilities and Capital Commitments

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Contingent Liabilities :		
Bank Guarantee	21,636.70	18,219.91
b) No Provision has been made for the following demands raised by the authorities since the Company has reason to believe that it would get relief at the appellate stage :		
Central Excise Duty	593.97	589.07
Income Tax	1,079.02	1,075.10
	1,672.99	**1,664.17**
c) Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account & not provided for Net of Advances.	532.59	756.38

44 Disclosure related to Micro, Small and Medium enterprises

On the basis of confirmation obtained from the supplier who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

Outstanding dues to Micro, Small and Medium enterprises.

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	178.96	190.57
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	----	----
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	----	----
d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	----	----
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	----	----

Note 1: The principal amount due to Micro, Small and Medium Enterprises includes Retention amount of ₹ 29.30 Lakhs (PY ₹ 2.57 Lakhs)

Note 2: Out of above, amount pertaining to Medium Enterprises is ₹ 8.97 Lakhs (PY ₹ 6.20 Lakhs)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

45 FAIR VALUE MEASUREMENTS

Financial instruments by category

(₹ in Lakhs)

Particulars	As at 31st March, 2021 FVTPL	FVOCI	Amortized Cost	As at 31st March, 2020 FVTPL	FVOCI	Amortized Cost
Financial Assets						
Investments						
- Equity Instruments	----	11.43	----	----	8.02	----
- Preference Shares	----	----	705.32	----	----	805.44
- Debentures	----	----	----	----	----	----
- Mutual Funds	30,449.93	----	----	31,128.04	----	----
- Portfolio Management Service	2,046.87	----	----	4,073.62	----	----
- Bonds	----	----	16,012.25	----	----	9,377.32
Trade Receivables	----	----	17,072.12	----	----	15,028.39
Cash and Cash Equivalents	----	----	1,989.16	----	----	564.19
Bank Balances other than above	----	----	37.08	----	----	35.72
Bank deposit with original maturity of more than 12 months	----	----	1,817.48	----	----	1,674.04
Loan to Employees	----	----	17.36	----	----	23.24
Security Deposit	----	----	58.92	----	----	59.33
Other Financial Assets	----	----	534.35	----	----	303.33
Total Financial Assets	**32,496.80**	**11.43**	**38,244.04**	**35,201.66**	**8.02**	**27,871.00**
Financial Liabilities						
Trade payables	----	----	680.24	----	----	690.26
Other financial liabilities	----	----	280.43	----	----	232.82
Total Financial Liabilities	----	----	**960.67**	----	----	**923.08**

(I) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized 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. An explanation of each level follows underneath the table.

Financial Assets and Liabilities measured at fair value - recurring fair value measurements

(₹ in Lakhs)

As at March 31, 2021	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Investments at FVTPL					
Mutual Funds	6 & 11	30,449.93	----	----	30,449.93
Portfolio Management Service (PMS)	7	2,046.87	----	----	2,046.87
Financial Investments at FVOCI					
Equity Instruments	6	11.43	----	----	11.43
Total Financial Assets	----	**32,508.23**	----	----	**32,508.23**
Financial Liabilities	----	----	----	----	----
Total Financial Liabilities	----	----	----	----	----

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

As at March 31, 2020	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Investments at FVTPL					
Mutual Funds	6 & 11	31,128.04	----	----	31,128.04
Portfolio Management Service (PMS)	7	4,073.62	----	----	4,073.62
Financial Investments at FVOCI					
Equity Instruments	6	8.02	----	----	8.02
Total Financial Assets	----	**35,209.68**	----	----	**35,209.68**
Financial Liabilities	----	----	----	----	----
Total Financial Liabilities	----	----	----	----	----

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds and Portfolio Management Service (PMS) that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV. The Portfolio Management Service (PMS) are valued at the fair value provided by the respective fund manager as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market 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 level 3.

There are no transfers between levels 1 and 2 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted analysis.

46 Financial Risk Management

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(A) Credit risk

Credit risk is the risk of financial loss to the Company if customers or counter party to a financial instruments fails to meet its contractual obligations and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants the credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimates of current losses in respect of trade and other receivables.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Credit risk management

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer and including the default risk of the industry, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business;

ii) Actual or expected significant changes in the operating results of the counterparty;

iii) Financial or economic conditions that are expected to cause a significant change to the counter party's ability to meet its obligations;

iv) Significant increase in credit risk on other financial instruments of the same counterparty;

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assests are written off when there is no reasonable expectations of recovery, such as a trade receivables failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognized from initial recognition of the receivables. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and relevant information that is available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The reconciliation of ECL is as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	42.93	44.07
Provision made/(reversed) during the year	(10.65)	(1.14)
Balance at the end	**32.28**	**42.93**

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Maturities of financial liabilities

The tables herewith analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities

(₹ in Lakhs)

Particulars	Less than 1 year	More than 1 year	Total
As at March 31, 2021			
Non-derivatives			
Other financial liabilities	280.43	----	280.43
Trade payables	680.24	----	680.24
Total Non-derivative liabilities	**960.67**	**----**	**960.67**
As at March 31, 2020			
Non-derivatives			
Other financial liabilities	232.82	----	232.82
Trade payables	690.26	----	690.26
Total Non-derivative liabilities	**923.08**	**----**	**923.08**

(C) Market Risk

(i) **Price Risk**

The Company is mainly exposed to the price risk due to its investments in equity instrument, equity and debt mutual funds, Bond and Portfolio management Service (PMS). The price risk arises due to uncertainties about the future market values of these investments. The above instruments risk are arises due to uncertainties about the future market values of these investments.

Management Policy

The Company maintains its portfolio in accordance with the framework set by the Risk management Policies. Any new investment or divestment must be approved by the Board of Directors, Chief Financials Officer and Risk Management committee.

(ii) **Currency Risk**

The Company has not significant Exposure for Export's revenue and import of raw material and Property, Plant and Equipment so the Company is not subject to risk that changes in foreign currency value impact.

47 Capital Management

Risk management

For the purpose of the Company's capital management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimise returns to the shareholders and makes adjustments to it in light of changes in economic conditions or its business requirements. The Company's objectives are to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Company funds its operation through internal accruals. The management and Board of Directors monitor the return on capital as well as the level of dividends to shareholders.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

48 The COVID-19 pandemic is a global humanitarian and health crisis, which continues to impact Company's all stakeholders: employees, customers, vendors, investors and communities in which Company operate in. The Company's operations and revenue during the period were impacted due to COVID-19. The Company has evaluated the impact of Covid-19 on its financial statements based on the internal and external information up to the date of approval of these financial statements. The Company does not foresee any material impact on liquidity and assumption of going concern. The Company will continue to monitor the future market conditions and update its assessment.

49 Scheme of Amalgamation:

The Board of Directors of the Company, at its meeting held on 11th May, 2020 have considered and approved a Scheme of Amalgamation (the "Scheme") between the Company and Kunjal Investment Private Limited ("KIPL"). The Scheme contemplates the amalgamation of KIPL with the Company. The appointed date for the scheme is 1st June, 2020 or such other date as may be fixed or approved by the National Company Law Tribunal (NCLT) as and when applicable. The Scheme was approved with requisite majority by Equity shareholders, Secured Creditor and Unsecured Creditors of the Company at their respective meetings held on April 27, 2021 through video conferencing / other audio visual means, in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations.

The Company petition for sanctioning the scheme is admitted with the Hon'ble National Company Law Tribunal, Ahmedabad Bench and is subject to requisite statutory and regulatory approval. Pending such approvals, no accounting effect of the above mentioned scheme has been given in the Financial Statements for the year ended 31st March, 2021.

50 Event after reporting Period

Proposed Dividend

The Company has proposed dividend of ₹ 25 per equity share of ₹ 10 each recommended by the Board of Directors at its meeting held 25th June, 2021. The same amounts to ₹ 2529.28 lakhs and its subject to approval at the ensuing Annual General Meeting of the Company.

51 The financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors on 25th June, 2021. The financial statements as approved by the Board of Directors are subject to final approval by its Shareholders.

52 The previous year's figures have been regrouped / rearranged wherever necessary to make it comparable with the current year.

The accompanying notes are an integral part of the financial statements.

For and on behalf of the Board

For, C N K & Associates, LLP
Chartered Accountants
Firm Registration No.:101961W/W-100036

Alok Shah
Partner
Membership No.42005

Place : Vadodara
Date : 25th June, 2021

For Voltamp Transformers Limited

Kanubhai S. Patel
Chairman & MD
Place : Vadodara

Kunjalbhai L. Patel
Vice Chairman & MD
Place : Vadodara

Vallabh N. Madhani
Whole Time Director &
Chief Financial Officer
Place : Vadodara

Hemant P. Shaparia
Director
Place : Rajkot

Rajendra C. Patel
Director
Place : Ahmedabad

Taral K. Patel
Director
Place : Vadodara

Paulomi J. Lashkari
Director
Place : Ahmedabad
Date : 25th June, 2021

Sanket Rathod
Company Secretary
Place : Vadodara