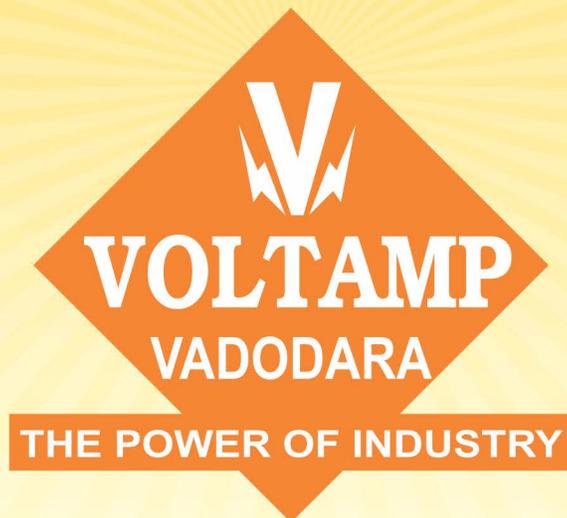


Annual Report  
**2021-22**

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**VOLTAMP TRANSFORMERS LIMITED**

## Baroda Citizen Council : Mental Wellness Program



# VOLTAMP TRANSFORMERS LIMITED

## BOARD OF DIRECTORS

Shri Kanubhai S. Patel	Chairman & Managing Director
Shri Kunjalbhai L. Patel	Vice Chairman & Managing Director
Shri Hemant P. Shaparia	Independent Director
Shri Ashish S. Patel	Independent Director (up to 22 <sup>nd</sup> February, 2022)
Shri Vallabh N. Madhani	Whole Time Director & CFO (up to 31 <sup>st</sup> March, 2022)
Smt. Taral K. Patel	Non-Executive Director
Smt. Paulomi J. Lashkari	Independent Woman Director
Shri. Rajendra C. Patel	Independent Director

## BANKERS:

### ICICI BANK LTD.

Jay House, 2<sup>nd</sup> Floor,  
Plot No. 42, Haribhakti Society,  
Nr. Bird Circle, Old Padra Road,  
Vadodara – 390007, Gujarat.

## CHIEF FINANCIAL OFFICER :

Shri Vallabh N. Madhani (up to 31<sup>st</sup> March, 2022)  
Shri Shailesh Prajapati (w.e.f. 25<sup>th</sup> May, 2022)

## COMPANY SECRETARY & COMPLIANCE OFFICER :

Shri Sanket Rathod

## M/s. CNK & Associates LLP.

Chartered Accountants  
The Nirat, 3<sup>rd</sup> Floor, 18, Windward Business Park,  
Behind Emerald One Complex, In the Lane of Dr. Prasant Buch,  
Jetalpur Road, Vadodara - 390007

## REGISTERED OFFICE & WORKS - I:

Makarpura, Vadodara – 390 014, Gujarat.  
**Phone :** +91 265 2642011 / 2642012 / 3041480  
**Fax :** +91 265 2646774 / 3041499

## WORKS - II:

Village Vadadala, Jarod-Samlaya Road,  
Tehsil Savli, Dist. Vadodara 391 520  
**Phone:** +91 81286 75081 / 82, 8511187262  
**Fax :** +91 2667 - 251250

**E-mail :** voltamp@voltamptransformers.com

**Website :** www.voltamptransformers.com

**CIN :** L31100GJ1967PLC001437

## REGISTRAR & SHARE TRANSFER AGENT:

### LINK INTIME INDIA PVT. LTD.

B- 102 & 103, Shangrila Complex,  
Near Radhakrishna Char Rasta,  
Vadodara – 390020, Gujarat.  
Phone No. 0265-2356573 - 2356794

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given to the Members of VOLTAMP TRANSFORMERS LIMITED, that the 55<sup>th</sup> Annual General Meeting ("AGM") of the Members of the Company will be held on Friday, 12<sup>th</sup> August, 2022 at 10:00 a.m. through video conference / other audio visual means ("VC/OAVM"), to transact the following businesses. The venue of the meeting shall be deemed to be the Registered office of the Company situated at Makarpura, Vadodara – 390 014.

### ORDINARY BUSINESS:

- 1) To consider and adopt the Audited Financial Statement for the Financial Year ended 31<sup>st</sup> March, 2022, together with the Directors' and the Auditors' Reports thereon.
- 2) To declare a final dividend of ₹ 35 per equity share for the year ended 31<sup>st</sup> March, 2022.
- 3) To appoint a Director in place of Smt. Taral K. Patel (DIN 00023066), who retires by rotation and being eligible offers herself for re-appointment.
- 4) To reappoint M/s. CNK & Associates LLP, Chartered Accountants (FRN: 101961W/W100036) as statutory auditors of the Company and in this regard to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Section 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof), and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. CNK & Associates LLP, Chartered Accountants (FRN: 101961W / W-100036) be and are hereby re-appointed as Statutory Auditors of the Company for the second term of five consecutive years, from the conclusion of this Annual General Meeting till the conclusion of the 60<sup>th</sup> Annual General Meeting, at such remuneration as may be determined by the Board of Directors of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps and do such acts, deeds and things as may be necessary or desirable to give effects to this Resolution or incidental thereto."

### SPECIAL BUSINESS:

- 5) To approve remuneration of the Cost Auditors for the financial year 2022-23 and in this regard to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Y. S. Thakar & Co., Cost Accountants, who has been appointed as the Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2022-23, be paid the remuneration of ₹ 65,000/- (Rupees Sixty Five Thousand) per annum plus applicable taxes / levies and reimbursement of actual out of pocket expenses that may be incurred during the course of audit.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps and do such acts, deeds and things as may be necessary or desirable to give effects to this Resolution or incidental thereto."

#### Regd. Office:

Makarpura, Vadodara  
Gujarat – 390 014.

**Date** : 25<sup>th</sup> May, 2022

**CIN** : L31100GJ1967PLC001437

**e-mail** : vnm\_ipo@voltamptransformers.com

#### By order of the Board of Directors

**Sanket Rathod**  
**Company Secretary**

## NOTES:

- 1) AN EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013, RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING IS ANNEXED HERETO.
- 2) In view of the COVID-19 pandemic and pursuant to the Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, the General Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, General Circular No. 20/2020 dated 05<sup>th</sup> May, 2020, the General Circular No.22/2020 dated 15<sup>th</sup> June, 2020, the General Circular No. 33/2020 dated 28<sup>th</sup> September, 2020, General Circular No. 39/2020 dated 31<sup>st</sup> December, 2020, General Circular No. 10/2021 dated 23<sup>rd</sup> June, 2021, General Circular No. 20/2021 dated December 8, 2021 and General Circular No. 2/2022 dated 05<sup>th</sup> May, 2022 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting to 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 venue of the meeting shall be deemed to be the Registered Office of the Company.  
  
Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 read with the circulars issued by MCA and SEBI, 55<sup>th</sup> AGM of the Company shall be conducted through VC/OAVM. National Securities Depositories Limited ('NSDL') will be providing facility for remote e-voting participation in the AGM through VC/OAVM and e-voting during the AGM.
- 3) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM, in terms of the MCA Circulars and SEBI Circulars, the facility for appointment of proxies by the Members will not be available for this AGM. Hence, proxy form and attendance slip including route map are not annexed to this notice.
- 4) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- 5) Register of Members and Share Transfer Books will remain closed from Saturday, 06<sup>th</sup> August, 2022 to Friday, 12<sup>th</sup> August, 2022 (Both days inclusive).
- 6) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs 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.
- 7) In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars the Notice of AGM along with Annual Report for 2021-22 is being sent only through electronic mode to those members whose email addresses are registered with the Company or their respective Depository Participants. Members may also note that the Notice of the 55<sup>th</sup> AGM and the Annual Report 2021-22 will also be available on the website of the Company at <http://www.voltamptransformers.com>., websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Investors are requested to register their e-mail address with Link Intime India Pvt. Ltd., if shares are held in physical mode or with their DP, if the shares are held in electronic mode.
- 8) The remote e-voting period begins on Tuesday, 9<sup>th</sup> August, 2022 at (9:00 A.M. IST) and ends on Thursday, 11<sup>th</sup> August, 2022 at (5:00 P.M. IST) 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, 5<sup>th</sup> August, 2022, 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, 5<sup>th</sup> August, 2022.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-****How do I vote electronically using NSDL e-Voting system?**

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

**Step 1: Access to NSDL e-Voting system:****A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode:**

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li data-bbox="516 661 1489 1016">1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against Company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li data-bbox="516 1016 1489 1129">2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com/">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li data-bbox="516 1129 1489 1484">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against Company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li data-bbox="516 1501 1489 1661">1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li data-bbox="516 1661 1489 1774">2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li data-bbox="516 1774 1489 1852">3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> </ol>

	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against Company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

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

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

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders:

1. 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 [vbhatt2004@yahoo.co.in](mailto:vbhatt2004@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at [evoting@nsdl.co.in](mailto: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 [vnm\\_ipo@voltamptransformers.com](mailto:vnm_ipo@voltamptransformers.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 [vnm\\_ipo@voltamptransformers.com](mailto:vnm_ipo@voltamptransformers.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](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE 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 AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

**PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:**

1. As the AGM is being conducted through VC / OAVM, members are encouraged to express their views/send their queries in advance mentioning their name, DP Id and Client Id/Folio No., e-mail id, mobile number at vnm\_ipo@voltamptransformers.com to enable smooth conduct of proceedings at the AGM. Questions / Queries received by the Company on or before Tuesday, 9<sup>th</sup> August, 2022 on the aforementioned e-mail id shall only be considered and responded to during the AGM.
2. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.

**GENERAL INFORMATION FOR SHAREHOLDERS**

1. The voting right shall be as per the number of equity shares held by the member(s) as on Friday, 05<sup>th</sup> August, 2022, being the cut-off date. Members are eligible to cast vote electronically only if they are holding shares as on that date.
2. Mr. Vijay Bhatt of M/s. Vijay Bhatt & Co., Company Secretaries, (Membership No. FCS: 4900) (Address 110, Rajvee Tower, Near Tube Company, Old Padra Road, Vadodara - 390 020) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
3. The results of the electronic voting shall be declared to the Stock Exchanges after the conclusion of AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company at www.voltamptransformers.com.
4. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 05<sup>th</sup> August, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
5. Subject to the approval of the Members at the AGM, the dividend will be paid within 30 days from the conclusion of the AGM, to the members whose names appear on the Company's register of members as on Record date, and in respect of the shares held in dematerialized mode, to the members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owner as on that date.

Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details. Demand drafts will be dispatched to the registered address of the members who have not updated their bank details. Members are requested to register / update their complete bank details with their Depository Participant(s) with whom they maintain their demat accounts, if shares are held in dematerialized mode by submitting the forms and documents as required by the Depository Participants. With the Company / Linkintime India Pvt. Ltd., if shares are held in physical mode by submitting scanned copy of signed request letter which shall contain Member's name, folio number, bank details (Bank account number, Bank and Branch name and address, IFSC MICR details), self attested copy of PAN card and cancelled cheque leaf.

6. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Members w.e.f. 1<sup>st</sup> April, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at prescribed rates in the Income Tax Act, 1961. In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, Permanent Account Number ("PAN") category as per the IT Act with their Depository Participants ("DPS") or in case shares are held in physical form, with the Company by sending documents by 2<sup>nd</sup> August, 2022.
7. In terms of the provisions of Section 124 of the Companies Act, 2013, the amount of dividend not encashed or claimed within 7 (seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund (IEPF) established by the Government. Accordingly, the unclaimed dividend in respect of financial year 2014-15 is due for transfer to the IEPF by September, 2022.
8. Pursuant to section 124(6) of the Companies Act, 2013, as amended and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (the IEPF Rules, 2016) all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more will become due for transfer to the IEPF Demat account. Shareholders may note that both the unclaimed dividend amount transferred to IEPF and the shares transferred to the Demat Account of the IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by them

from the IEPF Authority by making an online application in Form IEPF-5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) along with the fee prescribed to the IEPF authority with a copy to the Company.

9. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode, basis on the request being sent on [vnm\\_ipo@voltamptransformers.com](mailto:vnm_ipo@voltamptransformers.com) till the date of AGM.
10. Pursuant to the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on Corporate Governance, the information about the Directors proposed to be appointed/ re-appointed at the Annual General Meeting is given in the Annexure to the Notice.
11. Members holding shares in dematerialised form may please note that, while opening a depository account with Participants they may have given their bank account details, which will be printed on their Demand draft. However, if Members want to change/correct the bank account details, they should send the same immediately to the Depository Participant concerned. Members are also requested to give the MICR code of their bank to their Depository Participant. The Company will not entertain any direct request from Members for cancellation/change in the bank account details furnished by Depository Participants to the Company.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent or the Company.

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)**

The following Statement sets out all material facts relating to the Business mentioned under item no. 4 & 5 in the accompanying Notice:

**Item No. 4**

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), however, the same is strictly not required as per Section 102 of the Act.

The Members at the 50<sup>th</sup> Annual General Meeting (“AGM”) of the Company held on 12<sup>th</sup> August, 2017, had approved the appointment of M/s. CNK & Associates LLP, Chartered Accountants (FRN: 101961W / W-100036), as Statutory Auditors of the Company, to hold office till the conclusion of the 55<sup>th</sup> AGM.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on 25<sup>th</sup> May, 2022, proposed the re-appointment of M/s. CNK & Associates LLP, Chartered Accountants (FRN: 101961W / W-100036), as the Statutory Auditors of the Company, for a term of five consecutive years from the conclusion of 55<sup>th</sup> AGM till the conclusion of 60<sup>th</sup> AGM of the Company to be held in the year 2027, at a remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors.

In accordance with the provisions of Sections 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), M/s. CNK & Associates LLP, Chartered Accountants (FRN: 101961W / W-100036), have provided their consent and eligibility certificate to that effect, their re-appointment, if made, would be in compliance with the applicable laws.

None of the Directors and Key Managerial Personnel of the Company or their relatives, are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

**Item No. 5**

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Y. S. Thakar & Co., Cost Accountants as the Cost Auditors and remuneration payable to them, to conduct the audit of the cost records of the Company for the financial year 2022-23. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2023.

None of the Directors and Key Managerial Personnel of the Company or their relatives, are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board commends the Ordinary Resolution set out at Item No.5 of the Notice for approval by the shareholders.

**Regd. Office:**

Makarpura, Vadodara  
Gujarat – 390 014.

**Date** : 25<sup>th</sup> May, 2022

**CIN** : L31100GJ1967PLC001437

**e-mail** : vnm\_ipo@voltamtransformers.com

**By order of the Board of Directors**

**Sanket Rathod**  
**Company Secretary**

**PROFILE OF DIRECTORS RECOMMENDED FOR APPOINTMENT / REAPPOINTMENT AS REQUIRED UNDER REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015 AND CLAUSE 1.2.5 of SECRETARIAL STANDARD -2 ON GENERAL MEETINGS**

<b>Name of Director</b>	<b>Smt. Taral K. Patel (DIN: 00023066)</b>
Date of Birth	28/12/1975
Date of Appointment	14/08/2020
Expertise in specific functional area	Social wellness, charitable activities, Life Skill Development and Human Resource.
Qualification	MBA from The B K School of Management, Ahmedabad
Brief Resume of Smt. Taral K. Patel & details of the Companies in which Directorship held	Smt. Taral K. Patel, (DIN: 00023066) is holding MBA degree from The B K School of Management, Ahmedabad, Teacher Trainer for Fastrackkids International a global early childhood educational franchise Company based in USA & Certified Professional Coach from LTW (USA) ACTP and having vast experience in the field of social wellness, charitable activities, Life Skill Development and Human Resource. She has been Founder Director of the Banyan Club since 2005 to till date, an early childhood education center that focuses on life skills development, Managing Trustee of Samvedana Foundation, a foundation for supporting and funding various NGO and individual primarily in education and healthcare, apart from this, she is Trustee and Treasurer of Arpan Charitable Trust and Arpan School - NGO since 2006, Trustee at The New Era Senior Secondary School, Nizampura since 2009, Managing Committee Member at Baroda Management Association, Vadodara and Vice Chairperson and Trustee at Baroda Citizen's Council (NGO), Vadodara.
Listed Companies in which Directorship held other than this Company	Nil
Listed Companies in which membership of Committees of Directors held other than this Company	Nil
Relationship with other Directors and Key Managerial Personnel	Related with Shri Kunjal L. Patel Vice Chairman and Managing Director of the Company.
No. of shares held in the Company as on 31.03.2022	20640

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 55<sup>th</sup> Directors' Report and Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2022.

### FINANCIAL RESULTS:

(₹ in lakhs)

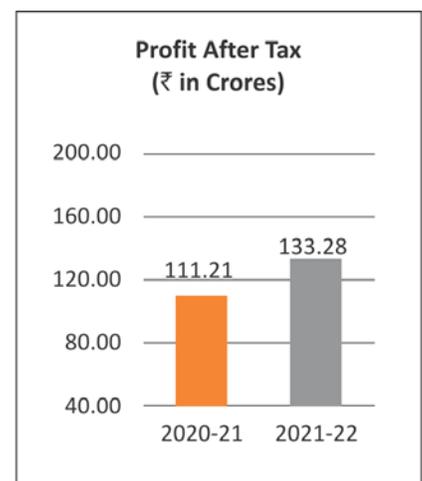
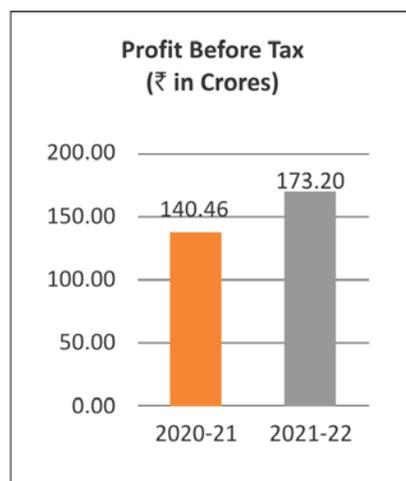
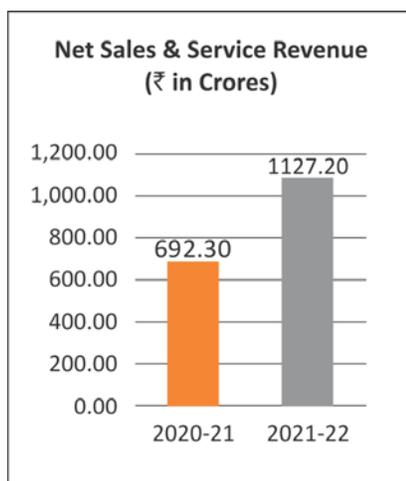
PARTICULARS	2021-2022	2020-2021
Net Sales and Service Income	112720.90	69230.99
Profit before Finance cost and Depreciation	18194.52	14991.46
Finance Cost	79.68	60.21
Depreciation	794.12	885.15
<b>Profit Before Tax*</b>	<b>17320.72</b>	<b>14046.10</b>
Current Tax	3807.68	2481.74
Deferred Tax	229.25	252.39
Income Tax of earlier year	—	90.29
<b>Net profit after Tax before comprehensive loss</b>	<b>13283.79</b>	<b>11221.68</b>
Other Comprehensive Loss	44.59	(100.14)
<b>Net Profit after Tax</b>	<b>13328.38</b>	<b>11121.54</b>

\* Includes profit (gain) of ₹ 19.24 crores towards appreciation in value of investment (Marked to Market adjustment) (Previous year : ₹ 32.28 crore).

### PERFORMANCE REVIEW & STATE OF THE COMPANY AFFAIRS:

#### A) OPERATIONS :

In the year under review, the Company has posted a highest ever sales and service revenue of ₹ 1127.20 crores as compared to ₹ 692.30 crore in the previous year. The sales in term of volume increased to 11137 MVA as compared to 8729 MVA in the previous year reflecting stability of operations in uncertain market conditions. The Profit Before Tax (PBT) increased to ₹ 173.20 crores, as compared to ₹ 140.46 crores in the previous year and Profit After Tax (PAT) increased to ₹ 133.28 crores, as compared to ₹ 111.21 crores in the previous year.



The operating performance for the year under review was in line with the Company's business plan to improve revenue and volume. During the year, the Company delivered excellent performance with highest-ever sales in its vibrant history. Despite of challenging macro economic environment driven by volatile raw material price environment, higher crude prices and supply chain uncertainties, the Company has reported its highest ever revenue, EBIDTA and PAT. Cost of major

raw materials have steeply gone up through the year. On the back of continued plant efficiency by the operational team supported with measures like effective material handling, cost reductions, tightly controlling inventory and receivables, the Company was able to build on the present robust realizations in revenue and volume terms supported by healthy cash flow.

Reflecting on the Company's stellar performance, the Board of Directors declared a final dividend of ₹ 35 per equity share on face value of ₹ 10 per share. This is notably higher than dividends declared in the previous years. As a result, the benefits of growth are shared, and the focus remains on value creation for all stakeholders.

The financial year 2022-2023 started with an order backlog of ₹ 605.49 crores (6209 MVA).

The Company expects current demand momentum to sustain in the near term due to economic expansion, rise in Government and private capital expenditure.

Although factors on the demand front are holding up well, there are multiple cost headwinds. The geo-political situation has aggravated the supply-chain issues, leading to sharp rise in RM prices as well as negative impact on RM availability. Costs related to logistics and freight have substantially gone up, putting tremendous pressure on margins and cashflow. Overall, pricing pressure to remain continue in the industry.

For detailed analysis of the performance, please refer to the Management Discussion and Analysis section of the Annual Report given in Annexure-IV.

#### **B) COMPLETION OF AMALGAMATION OF KUNJAL INVESTMENTS PRIVATE LTD WITH VOLTAMP TRANSFORMERS LTD:**

The process of amalgamation of Kunjal Investments Private Limited (KIPL) with Voltamp Transformers Limited (VTL), got completed during the year 2021-22. Subsequent to approval of the Scheme by requisite majority by shareholders, secured creditors and unsecured creditors of the Company vide their NCLT convened meetings held on 27<sup>th</sup> April, 2021, the order of the Hon'ble National Company Law Tribunal (NCLT) Ahmedabad bench, pronounced on 16<sup>th</sup> August, 2021, approving the scheme of amalgamation (Scheme), was filed with Registrar of Companies through form INC-28 on 20<sup>th</sup> August 2021, from which Scheme is considered as effective.

Consequent upon amalgamation, equity share holding of 4344474 equity shares of Kunjal Investments Private Limited in the Company was cancelled and the promoters of Kunjal Investments Private Limited, Mr. Kunjal L Patel and Mrs. Taral K Patel, were allotted 43,23,835 and 20,639 equity shares of the Company, respectively. The listing permission of the Stock Exchange for the said shares have been received.

#### **DIVIDEND:**

The Board of Directors has recommended a dividend of ₹ 35 per equity share having face value of ₹ 10 each, subject to the approval of the members at the 55<sup>th</sup> Annual General Meeting ("AGM"). In the previous year, the Company had paid a Dividend of ₹ 25 per equity share of ₹ 10 each. The Dividend Distribution Policy of the Company has been posted on the website of the Company (<https://www.voltamptransformers.com/index.php/dashboard/policies>).

#### **AMOUNT PROPOSED TO BE TRANSFERRED TO RESERVES :**

The Company has made no transfer to reserves during F.Y. 2021-22.

#### **CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There is no change in the nature of business during the financial year 2021-22.

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

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

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

During the year 2021-22 no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:**

Your Company has no Subsidiary/Joint Ventures/Associate Companies. Further, the Policy determining “material” subsidiaries has been posted on the website of the Company i.e. <https://www.voltamptransformers.com/index.php/dashboard/policies> .

**DEPOSITS:**

Your Company has not accepted any deposit during the year and there was no deposit at the beginning of the year. Therefore, Chapter V of the Companies Act, 2013 relating to acceptance of deposits is not applicable and hence, no detail of the deposit is given in the report.

**SHARE CAPITAL:**

During the year under review, the Company has neither issued any securities nor has taken any Corporate Action for cancellation of issues securities, hence, there is no change in share capital structure of the Company. Except those, on approval of scheme of amalgamation of Kunjal Investments Private Limited with Voltamp Transformers Limited, equity share holding of 43,44,474 equity shares by Kunjal Investments Private Limited in the Company was cancelled and the promoters of Kunjal Investments Private Limited, Mr. Kunjal L Patel and Mrs. Taral K Patel, were allotted 43,23,835 and 20,639 equity shares of the Company, respectively.

**TRANSFER OF UNCLAIMED DIVIDEND AND SHARES TO INVESTOR EDUCATION AND PROTECTION FUND:**

The unclaimed dividend amount aggregating to ₹ 1,46,220 for the financial year ended on 31<sup>st</sup> March, 2014 was transferred to the Investor Education and Protection Fund established by the Central Government, during the financial year ended 31<sup>st</sup> March, 2022, pursuant to Section 124 of the Companies Act, 2013. During the year Company has also transferred shares on which dividend remained unclaimed and unpaid for a period of consecutive seven years pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and subsequent amendments thereto by the Ministry of Corporate Affairs, Government of India.

**DISCLOSURE OF PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The disclosure of particulars relating to conservation of energy and technology absorption and foreign exchange earnings and outgo as required by Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given in **Annexure – I** forming part of this report.

**EMPLOYEES:**

The industrial relations during the year under review have remained cordial and satisfactory. The Board thanks all the Employees for their valuable contribution to the working of the Company.

In accordance with the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees and the Disclosure pertaining to remuneration and other details are set out in the **Annexure - II** to the Directors’ Report. However, as per the provisions of Section 136(1) of the Companies Act, 2013, the Directors’ Report is being sent to the shareholders without this Annexure. Shareholders interested in obtaining a copy of the Annexure may write to the Company Secretary at the Company’s Registered Office. The information is also available for inspection at the corporate office during working hours up to the date of the Annual General Meeting.

**CORPORATE GOVERNANCE:**

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report on Corporate Governance is given in **Annexure –III** along with certificate from M/s. CNK & Associates LLP, Chartered Accountant (FRN : 101961W), confirming compliance with the requirement of Corporate Governance.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

A detailed review of the operations, performance and future outlook of the Company and its businesses is given in the Management Discussion and Analysis Report which forms part of this Report as **Annexure - IV**.

### **STATUTORY AUDITORS:**

At the 50<sup>th</sup> Annual General Meeting held on 12<sup>th</sup> August, 2017, M/s. CNK & Associates LLP, Chartered Accountant (FRN: 101961W), were appointed as Statutory Auditors of the Company to hold the office till the conclusion of the Annual General Meeting to be held in the year 2022.

M/s. CNK & Associates LLP, Chartered Accountants (FRN: 101961W) are eligible to be reappointed for a further term of 5 (five) years, in terms of provisions of sections 139 & 141 of the Act. Accordingly, the Board of Directors of the Company at their meeting held on 25<sup>th</sup> May, 2022, on recommendation of the Audit Committee and subject to approval of the shareholders at ensuing AGM have approved reappointment of M/s. CNK & Associates LLP, Chartered Accountants (FRN: 101961W), as Statutory Auditors of the Company, for a further period of 5 (five) years from the conclusion of 55<sup>th</sup> AGM.

The Report issued by M/s. CNK & Associates LLP, Chartered Accountant (FRN: 101961W), Statutory Auditor for FY 2021-22 does not contain any qualification, reservation, adverse remark or disclaimer.

The Auditor's certificate confirming compliance with conditions of corporate governance as stipulated under Listing Regulations, for FY: 2021-22 is enclosed to the Director's Report.

### **COST AUDITORS:**

The Board of Directors, on recommendation of the Audit Committee, has re-appointed M/s Y.S. Thakar & Co., Cost Accountants (Firm Registration No.000318) as Cost Auditor of the Company, for the Financial year ending 31<sup>st</sup> March, 2023, at a remuneration as mentioned in the Notice convening the 55<sup>th</sup> AGM and same is recommended for your consideration and ratification.

The maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 is required by the Company and accordingly such accounts and records are made and maintained. The Company has filed the Cost Audit Report for F.Y. 2020-21 on 23<sup>rd</sup> August, 2021, which is within the time limit prescribed under the Companies (Cost Records and Audit) Rules, 2014. The Report does not contain any qualification, reservation or adverse remark or disclaimer.

### **SECRETARIAL AUDITORS:**

In accordance with the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/s. J. J. Gandhi & Company, Practicing Company Secretaries, Vadodara, to conduct the Secretarial Audit of the Company for the year ended 31<sup>st</sup> March, 2022. The Secretarial Auditor has submitted their report which is appended to this Report as **Annexure V**. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

### **AUDIT COMMITTEE :**

The Company has an Audit Committee pursuant to the requirements of the Act read with the Rules framed thereunder and LODR. Powers and role of the Audit Committee are included in Corporate Governance Report forming part of this report.

### **COMMITTEES OF THE BOARD:**

The details of all Committees and their terms of reference are set out in the Corporate Governance Report.

### **RISK MANAGEMENT POLICY AND INTERNAL FINANCE CONTROL ADEQUACY:**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks in achieving key objectives of the Company. The Company has developed and implemented Risk Management Policy of the Company to identify & evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The Risk Management Policy of the Company has been posted on the website of the Company (<https://www.voltamptransformers.com/index.php/dashboard/policies>).

The internal control systems are commensurate with the nature, size and complexity of the business of the Company. These are routinely tested and certified by Statutory as well as Internal Auditors.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

During the year 2021-22, at 54<sup>th</sup> AGM of the Company, shareholders of the Company with requisite majority had approved appointment of Smt. Paulomi J Lashkari (DIN: 00274468) and Shri Rajendra Chhotalal Patel (DIN: 01681826) as Independent Woman Director and Independent Director respectively for the term of five years commencing from 14<sup>th</sup> August, 2020 upto 13<sup>th</sup> August, 2025.

At 54<sup>th</sup> AGM, shareholders of the Company had also approved appointment of Smt. Taral K. Patel (DIN: 00023066) as non-executive director of the Company.

Further, Shri Kunjal L. Patel, whose term was expiring on 14<sup>th</sup> March, 2022, was reappointed as Vice Chairman and Managing Director of the Company by the Board of Directors of the Company at their meeting held on 31<sup>st</sup> January, 2022 for a further period of five (5) years commencing from 15<sup>th</sup> March, 2022 to 14<sup>th</sup> March, 2027 subject to approval of shareholders. The shareholders of the Company has approved said reappointment by requisite majority through postal ballot on 15<sup>th</sup> April, 2022.

Further, during the year 2021-22, Shri Ashish S. Patel, Non – Executive Independent Director of the Company, resigned from his office on 22<sup>nd</sup> February, 2022, Shri Vallabh N. Madhani, Whole Time Director & Chief Financial Officer (CFO), retired from his office on 31<sup>st</sup> March, 2022 and Shri Shailesh P. Prajapati is appointed as CFO of the Company with effect from 25<sup>th</sup> May, 2022.

Apart from this, there is no change in Directors and Key Managerial Personnel of the Company, during the year 2021-22.

#### **RETIREMENT BY ROTATION AND SUBSEQUENT RE-APPOINTMENT:**

Smt. Taral K. Patel, None Executive Director of the Company is liable to retire by rotation at this 55<sup>th</sup> AGM, pursuant to section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Appointment and Qualification of Directors) Rule, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and being eligible, has offered herself for re-appointment. Appropriate resolution for her reappointment is being placed for the approval of shareholders of the Company at this AGM.

#### **DIRECTORS RESPONSIBILITY STATEMENT:**

In terms of Section 134(3) (c) of the Companies Act, 2013, the Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects:

- (a) that in the preparation of the annual financial statements for the year ended 31<sup>st</sup> March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (b) that the Directors 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 at the end of the financial year 31<sup>st</sup> March, 2022 and of the profit of the company for that period;
- (c) that proper and sufficient care has been taken for the 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) that Financial Statements have been prepared on a going concern basis;
- (e) that internal financial controls to be followed by the company have been laid down and that such internal financial controls are adequate and are operating effectively. and
- (f) that proper systems to ensure compliance with the provisions of all applicable laws are in place and that such systems are adequate and operating effectively.

#### **INDEPENDENT DIRECTORS:**

The Independent Directors hold office for a fixed term and are not liable to retire by rotation.

Each Independent Director has given written declaration to the Company confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of the Act and regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also submitted a declaration that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence, pursuant to Regulation 25 of the Listing Regulations.

#### **NUMBER OF MEETINGS OF THE BOARD:**

During the financial year under review, five Meetings of the Board of Directors were held. The details of the attendance of Directors at the Board Meetings are mentioned in the report on the Corporate Governance annexed hereto.

### **POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:**

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178, is appended as **Annexure - VI** to this Report. The Policy has been posted on the website of the Company ([http://www.voltamptransformers.com/pdf/nomination\\_remuneration\\_policy.pdf](http://www.voltamptransformers.com/pdf/nomination_remuneration_policy.pdf))

### **ANNUAL EVALUATION BY THE BOARD:**

The evaluation framework for assessing the performance of Board including the individual Directors are based on certain key measures, viz. Attendance of Board Meetings and the Committee Meetings, qualitative contribution in deliberations on agenda items, long term view in the inputs regarding development and sustainability of the Company and consideration of shareholders and other stakeholders' interests.

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board does not participate in the discussion of his / her evaluation. The Board of Directors has expressed their satisfaction to the evaluation process.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

There are no guarantees and securities given in respect of which provision of Section 186 of the Act are applicable. Provision of Section 186 in respect of loans and advances given and investment made have been complied with by the Company. Details of the same is available in notes to the financial statements.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1):**

There are no contracts or arrangements entered into with related parties fall under the scope of section 188(1) of the Companies Act 2013, except payment of managerial remuneration to Managing Directors and Whole-time Director.

Further, the policy on Related Party Transactions duly approved by the Board of Directors of the Company has been posted on the website of the Company. ([http://www.voltamptransformers.com/pdf/related\\_party\\_transactions\\_policy.pdf](http://www.voltamptransformers.com/pdf/related_party_transactions_policy.pdf))

### **CORPORATE SOCIAL RESPONSIBILITY:**

The Corporate Social Responsibility (CSR) Committee is constituted by the Board of Directors, pursuant to Section 135 of the Companies Act, 2013 and CSR policy has also been framed by the Board as per the said Section and the Rules made thereunder. The Policy on CSR has been posted on the website of the Company ([http://www.voltamptransformers.com/pdf/corporate\\_social\\_responsibility\\_policy.pdf](http://www.voltamptransformers.com/pdf/corporate_social_responsibility_policy.pdf)).

The details about initiatives taken by the Company on Corporate Social Responsibility during the year is appended at **Annexure - VII** of the report.

### **ANNUAL RETURN:**

In accordance with the provisions of Section 92(3) of the Act, Annual Return of the Company can be accessed at <https://www.voltamptransformers.com/index.php/dashboard/others>

### **VIGIL MECHANISM /WHISTLE BLOWER POLICY:**

The Whistle Blower Policy (Vigil Mechanism) was constituted by the Board of Directors, pursuant to Section 177 of the Companies Act, 2013 and the Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to report genuine concerns of Directors and Employees. The Policy has been posted on the website of the Company <https://www.voltamptransformers.com/index.php/dashboard/policies>. Further, we affirmed that no personnel have been denied access to the Audit Committee.

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review, no complaints were reported to the Board.

**BUSINESS RESPONSIBILITY REPORT:**

As stipulated under the listing Regulations, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective is attached in the format prescribed as **Annexure VIII** and forms integral part of the Annual Report.

**SECRETARIAL STANDARD:**

The Company comply with all applicable secretarial standards issued by the Institute of Company Secretaries of India.

**APPRECIATION AND ACKNOWLEDGEMENT:**

Your Directors wish to place on record their appreciation for the continued support & co-operation extended during the year by the Company's customers, business associates, vendors, bankers, investors, Govt. authorities & other Stakeholders.

The Board also expresses its appreciation towards the contribution made by all the Employees of the Company.

Place : Vadodara  
Date : 25<sup>th</sup> May, 2022

**For and on behalf of the Board**

**Kanubhai S. Patel**  
**Chairman & Managing Director**

## ANNEXURE - I TO THE DIRECTORS' REPORT

### A] CONSERVATION OF ENERGY:

- [a] Energy conservation measures taken:  
Systematic studies of power consumption to avoid unwanted energy losses.
- [b] Additional investments and proposal if any, being implemented for reduction of consumption of energy:  
Installation of Vacuum Ovening for distribution transformers manufacturing facility.
- [c] Impact of the measures at [a] and [b] above for reduction of energy consumption and consequent impact on the cost of production of goods:  
The various measures taken by the Company have resulted in reduction in consumption of energy and efforts are going on to further reduce the consumption of energy, quality improvement, time saving and the consequent impact on the cost of production.
- [d] Total energy consumption and energy consumption per unit of production as per Form-A: Not Applicable.

### B] TECHNOLOGY ABSORPTION:

Research and Development (R&D):

- [a] Specific areas in which R&D carried out by the Company:
1. Electrostatic field calculation using Electro software.
  2. Impulse Voltage distribution analysis using VLN software from Ukraine.
  3. Short circuit strength calculation using ELDINST from VIT Ukraine.
  4. Temperature rise using SAPRTON from VIT Ukraine.
  5. Development of Ester fluid filled transformer.
  6. Extensive use of partial discharge & impulse test facility.
  7. Development of design software.
  8. Use of Finite element based software for transformers parameter analysis.
- [b] Benefits derived as a result of the above R&D :
1. Transformer is able to withstand severe short circuit, impulse voltage distribution conditions without damage, hence reliability is ensured.
  2. Price Competitiveness.
  3. Improvement in quality with cost saving.
  4. Higher rating transformers winding become easier and with better quality.
  5. First time right manufacturing reduces trial and error efforts
- [c] Further plan of action:
1. Continued emphasis on development of cost effective components and work on import substitution.
  2. Identification and narrowing down the gaps in the areas of product, process, manufacturing and information technologies.
  3. Wastage reduction / control by implementation of 5-S.
  4. Solar panel installation for office building, power supply.
  5. Web based testing facility to avoid physical travelling of customer representative. This will save time and cost.

Technology Absorption, Adaptation and Innovation:

- [a] Efforts, in brief, made towards technology absorption, adaptation and innovation:  
Extensive training in technical and management fields with a special emphasis on Total Quality Management.
- [b] Benefits derived as a result of the above efforts: Improvement in product quality.
- [c] Technology imported during the last five years: The Company has executed technical license agreement with PROCOM, Germany for getting Aluminum Foil Winding Technology.

### C] FOREIGN EXCHANGE EARNINGS AND OUTGO:

- [a] Foreign Exchange used : ₹ 1,28,92,248
- [b] Foreign Exchange earned : ₹ 7,35,15,021

## ANNEXURE - III TO THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT:

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Our Corporate Governance practices fosters a culture of ethical behavior and fair disclosures, which aims to build trust of our Stakeholders. The Company has established systems and procedures to ensure that its Board is well-informed and well equipped to fulfill its overall responsibilities and to provide the management with the strategic direction needed to create long term shareholders value. It ensures fairness, transparency, accountability, and integrity of the management. The Corporate Governance philosophy of the Company has been further strengthening through the Company's Code of Conduct, Code for Fair Disclosure and Code for Prevention of Insider Trading.

#### 2. BOARD OF DIRECTORS:

In terms of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), at least 50% of the Board should comprise of non-executive independent Directors with at least one Independent Woman Director. The Company has an optimum combination of executive and non-executive Directors including Independent woman Director. As on 31<sup>st</sup> March, 2022, the Company has 6 Directors comprising of 2 Managing Directors 1 Non Executive Director & 3 Non Executive Independent Directors. The Company has two woman directors on Board out of which one is Independent Woman Director. Shri Kunjal Patel, Vice Chairman & Managing Director and Smt. Taral K. Patel, Non-Executive Director are related to each other.

**The details of the composition, nature of directorship, the number of meetings attended and the directorships in other Companies as at 31<sup>st</sup> March, 2022 are detailed herein below:**

Name of Director	Position	No. of Board Meetings held and attended during the year 2021-22		Attendance At the Last AGM held on 30.09.2021	Membership of Committees		No. of Directorship in other Companies
		Held	Attended		As a Member	As a Chairman	
Shri Kanubhai S. Patel	C & MD	5	5	Yes	1	1	2
Shri Kunjalbhai L. Patel	VC & MD	5	5	Yes	3	Nil	1
Shri Hemant P. Shaparia	NED & I	5	5	Yes	2	1	2
Shri Ashish S. Patel <sup>1</sup>	NED & I	5	3	Yes	2	2	2
Smt. Taral K. Patel	NED	5	5	Yes	1	1	1
Smt. Paulomi J. Lashkari	NED & I	5	4	Yes	2	Nil	6
Shri Rajendra C. Patel	NED & I	5	5	Yes	2	Nil	1
Shri Vallabh N. Madhani <sup>2</sup>	WTD & CFO	5	5	Yes	2	Nil	Nil

**# C: Chairman, MD: Managing Director, VC: Vice Chairman, NED: Non Executive Director, I: Independent Director, WTD: Whole Time Director, CFO: Chief Financial Officer**

<sup>1</sup>Shri Ashish S. Patel resigned from office with effect from 22<sup>nd</sup> February, 2022 due to personal reason and other pressing commitments. Detailed resignation letter and confirmation of Director that there is no material reason of resigning before expiry of the term is available on website of the Company i.e. <https://www.voltamptransformers.com/index.php/dashboard/others>

<sup>2</sup>Shri Vallabh N. Madhani retired from office with effect from 31<sup>st</sup> March, 2022

#### Notes :

- i. Except Shri Kanubhai S. Patel, Chairman and Managing Director of the Company, who is holding position of Independent Director at Meghmani Finechem Limited a listed entity, no other Directors of the Company are holding Directorship in any other listed entity.
- ii. Except Smt. Taral K. Patel, Non Executive Director of the Company and Shri Hemant P. Shaparia Non Executive Independent Director of the Company, who are holding 20640 & 1 Equity shares of the Company respectively, no other Non Executive Directors are holding Equity shares in the Company.

- iii. During the Financial Year 2021-22, five Board Meetings were held on 25.06.2021, 14.08.2021, 24.08.2021, 29.10.2021 and 31.01.2022.
- iv. The gap between any two meetings did not exceed 120 days. Further, Company has adopted and adhered to the Secretarial Standards prescribed by the Institute of Company Secretaries of India.
- v. The Board of Directors have noted the declaration received from the Independent Director pursuant to LODR with regard to their Independence and are of the opinion that the Independent Directors fulfill the condition of Independence and are independent of the management of the Company.
- vi. Detailed agenda notes were made available to the Directors in respect of the matters listed in Part-A of Schedule-II of the Listing Regulations, at least 7 (seven) days prior to the date of Meetings, as required under Secretarial Standard - 1 – ‘Meetings of the Board of Directors’. The Company has obtained consent of all the Directors for giving notes on agenda items which are price sensitive in nature at a shorter notice.

### 3. COMMITTEES OF THE BOARD:

Recognizing the immense contribution that committees make in assisting the Board of Directors in discharging its duties and responsibilities and with a view to have a close focus on various facets of the business, the Board has constituted the following five (5) Committees of the Board.

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders’ Relationship Committee;
4. Corporate Social Responsibility Committee.
5. Risk Management Committee

The constitution and terms of reference of all the mandatory committees are decided by the Board in line with the applicable provisions of the Act, Rules and LODR Regulations.

These committees meet at the frequency, if any, prescribed under the Act and additionally as and when the need arises and the minutes of their meetings are placed before the Board in its next meeting for the Board to take note thereof.

The Company Secretary of the Company act as the Secretary of all committees of the Board.

#### (i) Audit Committee:

##### **The term of reference:**

Role of the Audit Committee in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 18 of the SEBI (LODR) Regulations, 2015 and includes:

- (1) Oversight of the listed entity’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing, with the management, the annual financial statements and auditor’s report there on 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) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- (6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) Approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) Discussion with internal auditors of any significant findings and follow up there on;
- (15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors;
- (18) To review the functioning of the whistle blower mechanism;
- (19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- (22) Review of following information:
  - (1) Management discussion and analysis of financial condition and results of operations;
  - (2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - (3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - (4) Internal audit reports relating to internal control weaknesses; and
  - (5) The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the audit committee.

- (6) Statement of deviations:
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- (23) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee of the Company meets as per criteria laid down under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015.

**Composition and Attendance of Audit Committee Meeting:**

Name of the Directors	Category	Position at the Committee	Number of Meeting attended
Shri Hemant P. Shaparia	NED & I	Chairman	4/4
Shri Kanubhai S. Patel	C & MD	Member	4/4
Shri Ashish S. Patel*	NED & I	Member	3/4
Smt. Paulomi J Lashkari	NED & I	Member	4/4

**# C: Chairman, MD: Managing Director, VC: Vice Chairman, NED: Non-Executive Director, I: Independent Director**

The Committee met four times during the financial year ended 31<sup>st</sup> March, 2022, on 25<sup>th</sup> June 2021, 14<sup>th</sup> August, 2021, 29<sup>th</sup> October, 2021 and 31<sup>st</sup> January, 2022.

\* Shri Ashish S. Patel resigned from the office with effect from 22<sup>nd</sup> February, 2022.

The Minutes of the meetings of the Audit Committee are circulated to the members of the Committee, discussed and taken note of it and the recommendations of the Audit Committee are accepted by the Board.

The Chairman of the Audit Committee was present at the last Annual General Meeting held on 30<sup>th</sup> September, 2021.

**(ii) NOMINATION AND REMUNERATION COMMITTEE:**

**The terms of Reference:**

In compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Company has constituted a Nomination & Remuneration Committee of the Board. All members of the Committee are Non Executive and Independent Directors. The terms of reference of the Committee inter alia, include:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent Directors and the Board of Directors;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- 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.
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director.

**Composition and Attendance of Nomination & Remuneration Committee Meeting:**

Name of the Directors	Category	Position at the Committee	Number of Meeting attended
Shri Ashish S. Patel*	NED & I	Chairman	1/2
Shri Hemant P. Shaparia	NED & I	Member	2/2
Smt. Taral K. Patel	NED	Member	2/2
Shri Rajendra C. Patel	NED & I	Member	2/2

**# NED: Non-Executive Director, I: Independent Director**

\* Shri Ashish S. Patel resigned from the office with effect from 22<sup>nd</sup> February, 2022.

The Committee met two times during the financial year ended 31<sup>st</sup> March, 2022, on 25<sup>th</sup> June, 2021 and 31<sup>st</sup> January, 2022.

**Remuneration Policy:**

The Company has a credible and transparent policy in determining and accounting for the remuneration of Directors, Key Managerial Personnel & employees of the Company. (Website:www.voltamptransformers.com/pdf/nomination\_&\_remuneration\_policy.pdf)

**(iii) STAKEHOLDERS' RELATIONSHIP COMMITTEE:****The terms of reference:**

In compliance with Section 178 of the Companies Act, 2013 and Regulation 20 and Schedule II, Part D of the SEBI (LODR) Regulations, 2015, a Stakeholders' Relationship Committee of the Board has been constituted. The terms of reference of the Committee inter alia, include:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

**Composition and Attendance of Stakeholders Relationship Committee Meeting:**

Name of the Directors	Category	Position at the Committee	Number of Meeting attended
Shri Ashish S. Patel*	NED & I	Chairman	1/1
Shri Kunjalbhai L. Patel	VC & MD	Member	1/1
Shri Vallabh N. Madhani**	WTD & CFO	Member	1/1
Shri Rajendra C. Patel	NED & I	Member	1/1

**# C: Chairman, MD: Managing Director, VC: Vice Chairman, NED: Non-Executive Director, I: Independent Director, WTD : Whole Time Director, CFO : Chief Financial Officer**

\*Shri Ashish S. Patel resigned from the office with effect from 22<sup>nd</sup> February, 2022.

\*\* Shri Vallabh N. Madhani retired from the office with effect from 31<sup>st</sup> March, 2022.

On reconstitution of Committee on 14<sup>th</sup> August, 2021, Shri Rajendra C. Patel is appointed as member of the Committee.

During the financial year ended on 31<sup>st</sup> March, 2022, committee met once on 31<sup>st</sup> January, 2022.

Details of investor complaints received and redressed during the year 2021-22 are as follow:

Number of shareholders complaints received during the year	Number of complaints resolved during the year	Number of pending complaints at the end of the year
One	One	Nil

**(iv) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:**

**The terms of reference:**

In compliance with the section 135 of the Companies Act, 2013 Corporate Social Responsibility (CSR) Committee of the Board has been constituted. The Committee recommend to the Board Budget for CSR activities for the particular financial year, monitor the CSR activities undertaken by the Company. The whole details of activities undertaken during the Financial year 2021-22 has been given in **Annexure -VII**.

**Composition and Attendance of CSR Committee Meeting:**

Name of the Directors	Category	Position at the Committee	Number of Meeting attended
Smt. Taral K. Patel	NED	Chairperson	4/4
Shri Kunjalbhai L. Patel	VC & MD	Member	4/4
Shri Ashish S. Patel*	NED & I	Member	3/4
Smt. Paulomi J. Lashkari	NED & I	Member	4/4

**# C: Chairman, MD: Managing Director, VC: Vice Chairman, NED: Non-Executive Director, I: Independent Director**

\* Shri Ashish S. Patel resigned from the office with effect from 22<sup>nd</sup> February, 2022.

The Committee met four times during the financial year ended 31<sup>st</sup> March, 2022, on 25<sup>th</sup> June, 2021, 14<sup>th</sup> August, 2021, 29<sup>th</sup> October, 2021 & 31<sup>st</sup> January, 2022.

**(v) RISK MANAGEMENT COMMITTEE:**

**The terms of reference:**

In compliance with Regulation 21 and Schedule II, Part D of the SEBI (LODR) Regulations, 2015, a Risk Management Committee of the Board has been constituted. The terms of reference of the Committee inter alia, include:

- 1) Formulation of detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- 2) Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- 3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- 4) Review of the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- 5) Keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- 6) Appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

**Composition and Attendance of Risk Management Committee Meeting:**

Name of the Directors	Category	Position at the Committee	Number of Meeting attended
Shri Kanubhai S. Patel	C & MD	Chairman	2/2
Shri Kunjalbhai L. Patel	VC & MD	Member	2/2
Shri Hemant P. Shaparia	NED & I	Member	2/2
Shri Vallabh N. Madhani*	WTD & CFO	Member	2/2

# C: Chairman, MD: Managing Director, VC: Vice Chairman, NED: Non-Executive Director, I: Independent Director

\* Shri Vallabh N. Madhani, retired from the office with effect from 31<sup>st</sup> March, 2022.

The Committee met two times during the financial year ended 31<sup>st</sup> March, 2022, on 31<sup>st</sup> January, 2022 & 29<sup>th</sup> March, 2022.

**4. REMUNERATION OF DIRECTORS:****All pecuniary relationship or transactions of the Non Executive Directors vis-à-vis the listed entity:**

Except sitting fees for attending Board meeting and Committee meeting, no other pecuniary relationship that Non Executive Directors have with the Company.

**Criteria of making payments to Non Executive Directors:**

The criteria being their attendance in Board and Committee meeting.

**Disclosure with respect to remuneration:**

(₹ in Lakhs)

Name	Sitting Fees	Salary & Perquisite	Commission	Stock Option	Pension
Shri Kanubhai S. Patel	Nil	348.30	162.82	Nil	Nil
Shri Kunjalbhai L. Patel	Nil	291.97	162.82	Nil	Nil
Shri Hemant P. Shaparia	1.5	Nil	Nil	Nil	Nil
Smt. Taral K. Patel	1.2	Nil	Nil	Nil	Nil
Shri Rajendra C. Patel	1.5	Nil	Nil	Nil	Nil
Smt. Paulomi J. Lashkari	1.45	Nil	Nil	Nil	Nil
Shri Ashish S. Patel	1.45	Nil	Nil	Nil	Nil
Shri V N Madhani	Nil	48.12	Nil	Nil	Nil

**Fixed Component / Performance Linked Incentive / Criteria:**

During the year 2021-22, 1% of the net profit (profit before tax) of the Company paid to two Managing Directors of the Company respectively.

**Service Contract / Notice Period / Severance Fees**

- The Contract of Service entered into by the Company with Shri Kanubhai S. Patel, Chairman & Managing Director, & Shri Kunjal L. Patel, Vice Chairman & Managing Director of the Company.
- In case of termination of the office of Managing Director before the expiry of the period of his appointment, the Managing Director shall be entitled to be paid compensation for loss of office, subject to the provisions of Section 202 and other applicable provisions of the Companies Act, 2013.

**5. FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS:**

The Independent Directors have been familiarised with the Company, their roles and responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company etc. The details of familiarisation programs imparted to the Independent Directors are put up on the website of the Company and can be accessed at <http://www.voltamptransformers.com/index.php/dashboard/policies>

**5. THE FOLLOWING IS THE LIST OF CORE SKILLS/EXPERTISE/COMPETENCIES IDENTIFIED BY THE BOARD OF DIRECTORS AS REQUIRED IN THE CONTEXT OF ITS BUSINESS(ES) AND SECTOR(S) FOR IT TO FUNCTION EFFECTIVELY AND THOSE ACTUALLY AVAILABLE WITH THE BOARD:**

- i. Knowledge - understand the Company's business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates,
- ii. Behavioral Skills - attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders,
- iii. Strategic thinking and decision making,
- iv. Financial Skills,
- v. Technical/Professional skills and specialized knowledge to assist the ongoing aspects of the business.
- vi. **Expertise / Skills of Directors:**

Sr No.	Name of the Directors	Expertise / Skills
1	<b>Shri Kanubhai S. Patel</b>	Strategic Business Management, Stakeholder Relationship, Marketing and Business Development, Finance, Accounting Taxation and Banking, Resource Planning, Corporate Affairs and also the General Management of the Company.
2.	<b>Shri Kunjalbhai L. Patel</b>	General Management comprising of purchase and planning, technical aspects of quality control, manufacturing & design aspects of transformers.
3.	<b>Smt. Taral K. Patel</b>	Social Activities, Skill Development and Human Resource
4.	<b>Shri Hemant P. Shaparia</b>	Financial and management consultancy services like capital raising, loan syndication, mergers and acquisition, foreign collaborations and joint ventures and corporate law matters.
5.	<b>Smt. Paulomi J. Lashkari</b>	General Management, Operational aspects
6.	<b>Shri Rajendra C. Patel</b>	General Management, Technical aspects
7.	<b>Shri Ashish S. Patel*</b>	General Management, Technical aspects, International Business.
8.	<b>Shri Vallabh N. Madhani**</b>	Company Law matters, Banking & Finance, Fund Management, Legal Compliance, Insurance.

\* Shri Ashish S. Patel resigned from the office with effect from 22<sup>nd</sup> February, 2022.

\*\* Shri Vallabh N. Madhani retired from the office with effect from 31<sup>st</sup> March, 2022.

**7. GENERAL BODY MEETINGS:**

**(A) Location and time where last three Annual General Meetings were held:**

Financial Year	Date	Time	Venue
2020-21	30-09-2021	10:00 a.m.	Through Video Conference / Other Audio Visual Means. Deemed venue of Meeting is Registered Office of the Company situated at Makarpura, Vadodara - 390014
2019-20	14-08-2020	10:00 a.m.	
2018-19	14-08-2019	10:00 a.m.	Vadodara Chamber of Commerce & Industry, VCCI Commercial Complex, 2 <sup>nd</sup> Floor, 73, GIDC, Makarpura, Vadodara – 390 010.

**(B) Special Resolution passed in the last three Annual General Meetings (“AGM”):**

AGM No.	AGM Date	Details of Special Resolution Passed
54 <sup>th</sup>	30-09-2021	No Special Resolution was passed at 54 <sup>th</sup> AGM of the Company.
53 <sup>rd</sup>	14-08-2020	<ol style="list-style-type: none"> <li>1. Reappointment of Shri Kanubhai S. Patel (DIN 0008395) as a Chairman and Managing Director of the Company for further period of five years with effect from 11.02.2020 to 10.02.2025.</li> <li>2. Reappointment of Shri Hemant P. Shaparia (DIN: 00053392) as an Independent Director of the Company with effect from 18.03.2020 to 17.03.2025.</li> <li>3. Appointment of Shri Vallabh N. Madhani (DIN: 02209006) as a Whole Time Director &amp; CFO for a period starting from 14.08.2019 to 31.03.2022</li> </ol>
52 <sup>nd</sup>	14-08-2019	No Special Resolution was passed at 52 <sup>nd</sup> AGM of the Company.

**(C) Postal Ballot:**

Details of Special Resolution
<b>Resolution No. 1</b> Reappointment of Shri Kunjalbhai L. Patel (DIN 00008354) as a Vice Chairman and Managing Director of the Company for further period of five years with effect from March 15, 2022 to March 14, 2027.
<b>Resolution No. 2</b> Approval payment of aggregate annual remuneration in excess of 2.5% of net profits of the Company in a year to Shri Kunjalbhai L. Patel, Vice Chairman & Managing Director of the Company who is Promoter of the Company.

The Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated 31<sup>st</sup> January, 2022 for aforementioned two resolutions, which were duly passed with requisite majority and the results of which were announced on 16<sup>th</sup> April, 2022. Mr. J J Gandhi (FCS No. 3519, CP No. 2515) of J J Gandhi & Co, Practising Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner. Date of resolution passed through postal ballot is 15<sup>th</sup> April, 2022.

Resolution No.	Votes in favor of Resolution			Votes in against of Resolution			Invalid Votes
	Number of members voted	Number of valid votes cast (Shares)	Percentage of total number of valid votes cast	Number of members voted	Number of valid votes cast (Shares)	Percentage of total number of valid votes cast	
1	132	8804310	99.81	13	16718	0.19	0
2	107	8542858	96.85	38	278170	3.15	0

Procedure for postal ballot: The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020 dated 8<sup>th</sup> April, 2020, the General Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, the General Circular No. 22/2020 dated 15<sup>th</sup> June, 2020, the General Circular No. 33/2020 dated 28<sup>th</sup> September, 2020, General Circular No. 39/2020 dated 31<sup>st</sup> December, 2020, General Circular No. 10/2021 dated 23<sup>rd</sup> June, 2021 and General Circular No. 20/2021 dated 8<sup>th</sup> December, 2021 respectively issued by the Ministry of Corporate Affairs.

**(D) Special Resolution passed at the National Company Law Tribunal, Ahmedabad, (“NCLT”) convened meeting.**

Meeting type	Meeting date	Details of resolution passed
NCLT convened meeting	27.04.2021	Approval of proposed Scheme of Amalgamation between Kunjal Investments Private Limited (‘the transferor Company’) and Voltamp Transformers Limited (‘the transferee Company’) and its shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as amended from time to time.

## 8. LIST OF CREDIT RATINGS OBTAINED BY THE COMPANY DURING FINANCIAL YEAR 2021-22:

BANK FACILITIES	RATING
Long term bank facilities (Fund based)	Care AA; Stable
Long term / Short term bank facilities (Non fund based)	Care AA; Stable /Care A1 +

## 9. DISCLOSURES:

### (A) Disclosure on materially significant related party transactions:

There was no materially significant related party transaction during the year having potential conflict with the interest of the Company.

### (B) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authorities or any matter related to capital markets during the last three years:

The Company has complied with all the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as regulations and guidelines of SEBI. No penalties have been levied or strictures have been passed by SEBI, Stock Exchange, or any Statutory Authority on the matters relating to the capital market, in the last three years.

### (C) Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:

The Company has adopted Whistle Blower Policy. The details in this regard have been mentioned in the Board's Report forming part of this Annual Report.

### (D) Details of compliance with mandatory requirements and adoption of the non- mandatory requirements of this clause:

The Company has fully complied with mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### (E) Confirmation that in the opinion of the Board, the Independent Directors fulfill the conditions specified in these Regulations and are Independent of the Management:

Based on the declaration submitted by the Independent Directors of the Company provided at the beginning of the Financial Year 2021-22, the Board hereby certify that all the Independent Directors appointed by the Company fulfill the conditions specified in these Regulations and are independent of the management.

### (F) The details of total fees for all services paid by the Company to the statutory auditor are as under :

Type of Service	Amount (₹) in lakhs
Audit Fee	11.50
Reimbursement of expenses	0.20
Total	11.70

### (G) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely to impact on equity :NA

### (H) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The details in this regard have been mentioned in the Board's Report forming part of this Annual Report.

## 10. MEANS OF COMMUNICATION:

### (A) Quarterly Financial Results:

The quarterly/ annual financial results are published in the Business Standard/ the Financial Express (English daily) and Vadodara Samachar (Gujarati). The financial results and the official news releases are also placed on the Company's website [www.voltamptransformers.com](http://www.voltamptransformers.com)

### (B) Official News Release:

The Company holds conference calls/ one to one meet with analysts and makes necessary presentation to appraise and make available the public information relating to the Company's working and future outlook.

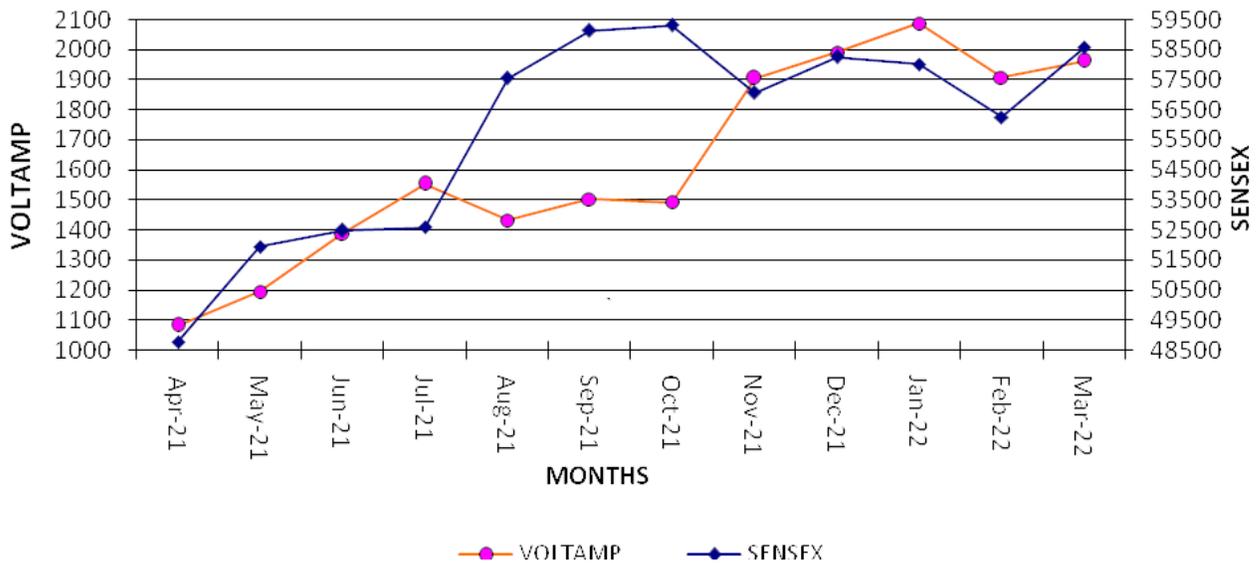
**11. GENERAL SHAREHOLDER INFORMATION:**

i.	<b>Annual General Meeting:</b>	Date : Friday 12 <sup>th</sup> August, 2022 Time : 10:00 a.m. Venue : Via Video Conference / other audio visual means and the venue of the meeting shall be deemed to be the Registered office of the Company, situated at Makarpura, Vadodara – 390 014
ii.	<b>Financial Year :</b>	The Company follows April-March as its financial year.
iii.	<b>Date of Book Closure:</b>	Saturday, 6 <sup>th</sup> August 2022 to Friday, 12 <sup>th</sup> August 2022
iv.	<b>Dividend Payment Date:</b>	Within 30 days from the date on which the shareholders approve the dividend.
v.	<b>Listing on Stock Exchanges:</b>	BSE Limited National Stock Exchange of India Limited (NSE)
vi.	<b>Stock Code:</b>	532757 VOLTAMP-EQ
vii.	<b>Registrar and Share Transfer Agents:</b>	<b>LINK INTIME INDIA PVT. LTD.</b> B – 102 & 103, Shangrila Complex, 1 <sup>st</sup> Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara 390020.
viii.	<b>Share Transfer System:</b>	The Company's shares are being in compulsory demat list, are transferable through the depository system.
ix.	<b>Plant Location:</b>	Unit – I Makarpura, Vadodara, 390014, Gujarat, India. Unit – II Village Vadadala, Jarod-Samlaya Road, Tehsil Savli, Dist.Vadodara, 391520, Gujarat, India.
x.	<b>Address for correspondence:</b>	<b>Voltamp Transformers Limited</b> Makarpura, Vadodara, 390 014, Gujarat. Email id: vnm_ipo@voltamptransformers.com Website: www.voltamptransformers.com
xi.	<b>Corporate Identification Number:</b>	L31100GJ1967PLC001437
xii.	<b>Compliance Officer:</b>	<b>Shri Sanket Rathod</b> , Company Secretary is the Compliance Officer of the Company and Secretary to all Committees of the Board.

**xiii. Market Price Data for the year 2021-22:**

PERIOD	BSE (₹)		BSE SENSEX		NSE (₹)		NIFTY	
	High	Low	High	Low	High	Low	High	Low
April 2021	1,130.00	1,023.00	50,375.77	47,204.50	1,125.00	1,021.50	15044.35	14151.40
May 2021	1,300.00	1,051.35	52,013.22	48,028.07	1,242.80	1,063.25	15606.35	14416.25
June 2021	1,566.90	1,128.60	53,126.73	51,450.58	1,567.50	1,115.20	15915.65	15450.90
July 2021	1,686.00	1,354.00	53,290.81	51,802.73	1,684.80	1,350.25	15962.25	15513.45
August 2021	1,684.00	1,325.00	57,625.26	52,804.08	1,687.30	1,324.15	17153.50	15834.65
September 2021	1,544.20	1,376.70	60,412.32	57,263.90	1,550.00	1,380.00	17494.65	17055.05
October 2021	1,566.00	1,391.55	62,245.43	58,551.14	1,569.90	1,390.00	18604.45	17452.90
November 2021	2,065.00	1,502.50	61,036.56	56,382.93	2,069.00	1,490.60	18210.15	16782.40
December 2021	2,255.00	1,865.10	59,203.37	55,132.68	2,255.25	1,875.00	17639.50	16410.20
January 2022	2,142.35	1,860.00	61,475.15	56,409.63	2,148.20	1,858.95	18350.95	16836.80
February 2022	2,156.50	1,831.10	59,618.51	54,383.20	2,159.70	1,829.90	17794.60	16203.25
March 2022	2,113.95	1,766.00	58,890.92	52,260.82	2,120.40	1,744.90	17559.80	15671.45

**(xiv) Performance in comparison to broad-based indices BSE SENSEX:**

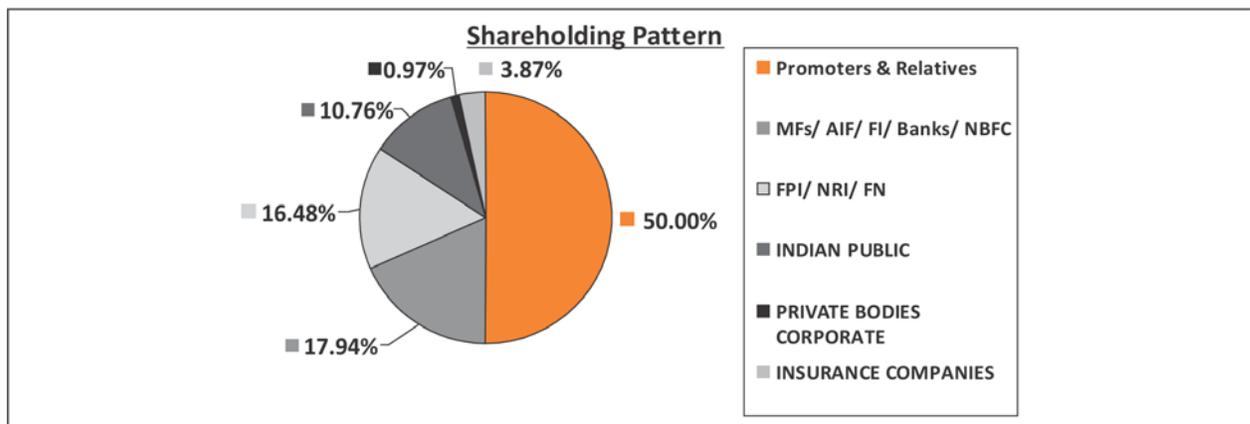


**(xv) Dematerialization of shares and liquidity:**

The shares of the Company are available under dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company’s equity shares are compulsorily traded in the dematerialized form. The code number allotted by NSDL and CDSL to your Company is **INE540H01012**.

**(xvi) Shareholding Pattern as on 31<sup>st</sup> March, 2022:**

Sr. No.	Category	No. of Shares Held	% to total Shareholding
1.	Promoters and their Relatives	5058562	50.00
2.	Mutual fund/ Alternate Investment Fund	1814773	17.94
3.	Foreign Portfolio Investors	1601927	15.83
4.	Financial Institutions/ Banks/ NBFC	229	0.00
5.	Insurance Companies	391036	3.87
6.	NRI & Foreign National	60507	0.6
7.	IEPF	1198	0.01
8.	Central Government/ State Government(s)/ President of India	2021	0.02
9.	Indian Public	1088779	10.76
10.	Private Bodies Corporate	98088	0.97
	<b>Total</b>	<b>10117120</b>	<b>100.00</b>



**(xvii) Distribution of Shareholding as on 31<sup>st</sup> March, 2022:**

Sr. No.	No. of Equity Shares held	No. of Shareholders	% of Shareholder	No. of Shares held	% of Shareholding
1.	1 - 500	16943	97.9761	667858	<b>6.60</b>
2.	501 - 1000	193	1.1161	144039	<b>1.42</b>
3.	1001 - 2000	76	0.4395	108886	<b>1.08</b>
4.	2001 - 3000	26	0.1503	66058	<b>0.65</b>
5.	3001 - 4000	5	0.0289	16045	<b>0.16</b>
6.	4001 - 5000	9	0.0520	40242	<b>0.40</b>
7.	5001 - 10000	21	0.1214	150778	<b>1.49</b>
8.	10001 - above	20	0.1157	8923214	<b>88.20</b>
	<b>Total</b>	<b>17293</b>	<b>100.0000</b>	<b>10117120</b>	<b>100.00</b>

**(xviii) Disclosure with respect to shares lying in suspense account : NA**

Place : Vadodara  
Date : 25<sup>th</sup> May, 2022

Kanubhai S. Patel  
Chairman & Managing Director

**DECLARATION ON CODE OF CONDUCT**

[Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management and that the same has been hosted on the Company's website <http://www.voltamptransformers.com/index.php/dashboard/codeconduct>. All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct as on 31<sup>st</sup> March, 2022. The declaration signed by the Chairman & Managing Director of the Company is given below:

"I, Kanubhai S. Patel, Chairman & Managing Director of the Company, hereby declare that all Board Members and Senior Management Personnel of the Company have affirmed the compliance of the Code of Conduct during the Financial Year ended 31<sup>st</sup> March, 2022."

Place : Vadodara  
Date : 25<sup>th</sup> May, 2022

Kanubhai S. Patel  
Chairman & Managing Director

## MANAGING DIRECTOR AND CFO CERTIFICATION

To  
The Board of Directors  
Voltamp Transformers Limited  
Makarpura, Vadodara.

We certify that:

- A. We have reviewed financial statements and the cash flow statement of Voltamp Transformers Ltd., for the year ended 31<sup>st</sup> March, 2022 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or 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.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Vadodara  
Date : 25<sup>th</sup> May, 2022

Kanubhai S. Patel  
Chairman & Managing Director

Shailesh Prajapati  
Chief Financial Officer

**DECLARATION**

This is to confirm that for the year 2021-22, all Board members and senior management personnel have affirmed compliance with the code of conduct of Voltamp Transformers Limited.

Place : Vadodara  
Date : 25<sup>th</sup> May, 2022

Kanubhai S. Patel  
Chairman & Managing Director

Sanket Rathod  
Company Secretary

**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  
Voltamp Transformers Limited,  
Makarpura, Vadodara

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Voltamp Transformers Limited**, having CIN L31100GJ1967PLC001437 and having registered office at Makarpura, Vadodara (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and 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 31<sup>st</sup> March, 2022 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.

Sr. No.	Name of Directors	DIN	Date of appointment in Company
1.	SHRI KUNJAL LALITKUMAR PATEL	00008354	04/06/1994
2.	SHRI KANUBHAI SHAKARABHAI PATEL	00008395	11/02/2010
3.	SHRI HEMANT PRAVINCHANDRA SHAPARIA	00053392	18/03/2015
4.	SMT. TARAL KUNJAL PATEL	00023066	14/08/2020
5.	SMT. PAULOMI JABAL LASHKARI	00274468	14/08/2020
6.	SHRI RAJENDRA CHHOTALAL PATEL	01681826	14/08/2020

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 J. J. Gandhi & Co.  
Practising Company Secretaries  
J. J. Gandhi  
Proprietor  
FCS No. 3519 and CP No. 2515  
UDIN No. F003519D000360799

Place: Vadodara  
Date: 21<sup>st</sup> May, 2022

## Independent Auditors' Certificate on Corporate Governance

To,  
The Members,  
Voltamp Transformers Limited

1. We, **CNK & Associates, LLP** Chartered Accountants, the Statutory Auditors of **Voltamp Transformers Limited** (“the Company”), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

### Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

### Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ( the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended 31<sup>st</sup> March, 2022.
8. We state that such compliance 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 **CNK & Associates, LLP**  
Chartered Accountants  
FRN No. : 101961W/W-100036

Place : Vadodara  
Date : 25<sup>th</sup> May, 2022

Alok Shah  
Partner  
Membership No. 042005  
UDIN No. 22042005AKGMSO7272

## ANNEXURE - IV TO THE DIRECTORS' REPORT MANAGEMENT DISCUSSION AND ANALYSIS

### ECONOMY / INDUSTRY OVERVIEW:

The trend throughout the year has been volatile, marked by the second-wave led devastations during the first quarter of the fiscal. A sharp uptick in July because of pent-up demand was followed by the economy treading a steady path till December 2021. A slowdown in momentum post-December was on account of supply-side constraints and soaring commodity prices.

However, the economy bounced back in March as indicated by various high-frequency indicators. With rising mobility and relaxation in travel restrictions, consumer spending picked up during the month. This is also visible from an all-time high GST collection of ₹ 1.4 lakh crore and robust E-way bill issuances in March 2022. Services activity improved in March, with PMI-services rising to a three-month high of 53.6 from 51.8 in February. Vehicle registrations (reflecting discretionary consumption) data across two-wheeler and passenger vehicles (PV) categories showed an improvement in March. Power consumption, which is reflective of overall economic activity also surged by 19% on a sequential basis.

With commodity prices, including that of crude oil, on the boil, the outlook for domestic producers remains gloomy. Critical raw material i.e. silicon steel (CRGO electrical grade steel) for transformer industry has become scare commodity post geopolitical situation change and price has almost double with non availability in require tonnage. Going ahead, a lot will depend on the trade negotiations between India and Russia. On the demand front, the outlook remains positive owing to reduced threat of Covid-19, resumption of commercial activities and pickup in credit offtake. Further, the rabi crop entering the market starting in April would provide a substantial boost to the rural income and thereby support rural demand. Urban demand is also expected to improve aided by improved mobility. However, downside risk remains due to intensifying inflationary pressures that could erode consumers' purchasing power.

Going ahead, global factors will continue to pose risks to India's economic progress. The uncertainty arising from ongoing geopolitical conflicts, which is reflected in rising global commodity prices, and a differing pace of monetary policy normalization, global supply chain disruptions, strengthening input price pressures, shortages of key inputs and elevated freight cost could have adverse implications for the economy.

### OUTLOOK FOR THE COMPANY:

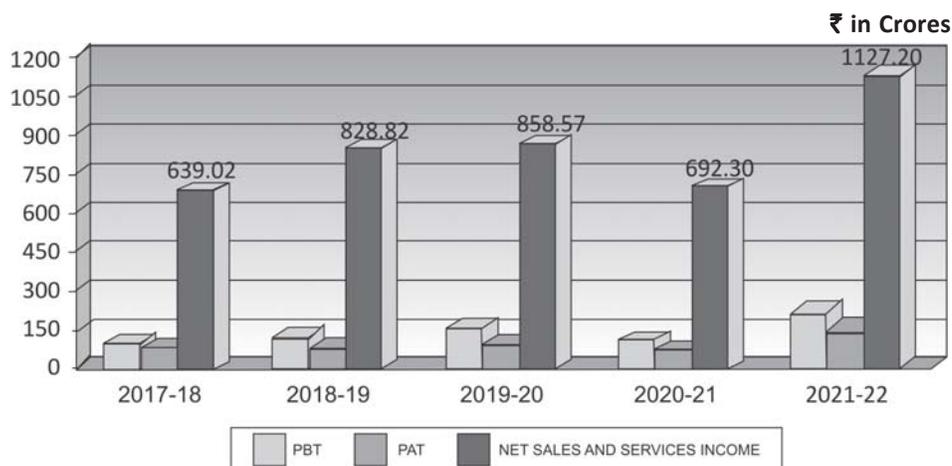
The Government of India has identified power sector as a key sector of focus to promote sustained industrial growth. Under the Union Budget 2022-23, the government announced the issuance of sovereign green bonds, as well as conferring infrastructure status to energy storage systems, including grid-scale battery systems. The Government also allocated ₹ 19,500 crore (US\$ 2.57 billion) for a PLI scheme to boost the manufacturing of high-efficiency solar modules. Electrification in the country is increasing with support from schemes like DeenDayal Upadhyay Gram Jyoti Yojana (DDUGJY), Ujwal DISCOM Assurance Yojana (UDAY), and Integrated Power Development Scheme (IPDS). In February 2022, a parliamentary standing committee recommended the government take steps to increase the loan limit for the renewable energy sector under priority sector lending. The current limit stands at Rs. 30 crore (US\$ 3.93 million).

In November 2021, the government announced future plans to increase the funding under the PLI scheme for domestic solar cells and module manufacturing to ₹ 24,000 crore (US\$ 3.17 billion) from the existing ₹ 4,500 crore (US\$ 594.68 million) to make India an exporting nation. Energy Efficiency Services Limited (EESL) stated that it will partner with private sector energy service companies to scale up its Building Energy Efficiency Programme (BEEP). The investment envisage under the Government PLI scheme for 14 key sectors will be sizable and can result in better order availability to the Company in medium term.

The Company is witnessing gradual improvement in market sentiments with enquiry and order finalization taking place on project progress basis. Decision making is slow with steep increase in product prices with unprecedented increase in input price and payment realization towards goods (awaiting dispatch) is taking long time. With economic expansion, rise in Government and private CAPEX (specially CAPEX for road, renewables and production linked incentive (PLI) schemes, the Government is continuously taking measures to ramp up power generation from green sources (like solar, wind) to meet the medium to long-term power demand, the medium term prospects looks promising for the Company.

## FINANCIAL PERFORMANCE OF THE COMPANY DURING THE LAST FIVE YEARS:

Profit Before Tax (PBT), Profit After Tax (PAT), and Sales and Services Income of the last five years.



The Company has achieved net sales and service revenue of ₹ 1127.20 Crores as compared to ₹ 692.30 crores in the previous year and the PBT increased to ₹ 173.20 crores as compared to ₹ 140.46 crores in the previous year and PAT increased to ₹ 133.28 crores as compared to ₹ 111.21 crores in the previous year.

## FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS:

The major factors affecting future results of operations of your Company are the currency fluctuation, competitive pressures from local as well as recently entered International competitors, Govt. policies on power and infrastructure sectors and project implementation, large unutilized capacity in Industry, aggressive pricing, continuing and highly volatile raw material prices, Covid-19 pandemic and timely availability of imported raw materials at budgeted cost.

## HUMAN RESOURCES/ INDUSTRIAL RELATIONS:

The Company continue its focus on development of human resources. The Company is a firm believer that its employee are its strength and the Company therefore respects individual rights and dignity of all its employees. The relations of the management with employees during the year continued to be cordial. Learning and development has been strengthened to bring value addition in the employee and to enhance team building leading towards success. The Company focuses on providing the employees, employee - friendly environment and culture and career growth opportunities.

## INTERNAL CONTROL SYSTEMS:

The Company has in place, commensurate with the size and complexity of Company's business operation, effective internal control systems and policies for compliance of laws and to safeguard the interest of the Company. The Company maintains a system of internal controls designed to provide reasonable assurance regarding the efficiency and reliability of operations and for safeguarding the assets of the Company and for ensuring appropriate recording and reporting of financial information for ensuring reliability of financial controls and for ensuring compliance of applicable laws and regulations.

The internal financial controls are adequate and are operating effectively and there are proper systems in place to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

The internal audit covers a wide variety of operational matters and ensures compliance with specific standards with regard to reliability and suitability of policies and procedures.

The internal auditors report to the top management through CFO and continuously monitor adherence to laid down systems and policies. Services of internal auditors are being outsourced through established audit firm. The systems are regularly reviewed and modified for changes in operating and regulatory requirements.

The Audit Committee reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening the same from time to time.

**RISKS & CONCERNS:**

Currently the geo-political situation, supply chain issues, volatile commodity prices be crucial parameter to watch while forecasting upcoming businesses opportunities. Unprecedented increase in major material prices is also a area of concern adversely impacting fixed price orders for transformers. The wide fluctuation of rupee against US Dollars also affects margin since the key raw materials, viz. copper, transformer oil, special steels for lamination, etc., are of import origin.

**STRENGTH:**

The Company is debt free since many years and having a good amount of investments of its surplus funds in diversified portfolios, viz. debt and equity mutual funds, bonds, debentures, fixed deposits, PMS, tax-free bonds, etc. and the Company has efficient working capital management. The Company has a diverse industrial client base and not dependent on any particular industry segment or region to book orders. Continuity of senior level management staff in service with long duration allows the Company to handle larger volume of business with comparatively less risk.

**DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:**

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) (Amendment) Regulations, 2018, the company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector specific financial ratios.

**KEY FINANCIAL RATIOS:**

Sr No.	Ratios	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	Variance	Reason for variance
1	Debtors Turnover (no. of days)	58.47	84.62	44.71	Better receivable management with curtailing credit period and order booking with assured payment terms.
2	Inventory Turnover (no. of days)	70.04	83.79	19.63	----
3	Interest Coverage (no. of times)	----	----	NA	----
4	Current Ratio (no. of times)	4.80	5.16	-7.00	----
5	Debt Equity Ratio	----	----	----	----
6	Operating Profit Margin (%)	11.78	10.04	17.33	----
7	Net Profit Margin (%)	11.35	14.67	-22.63	----
8	Return on Networth (%)	18.44	16.92	8.97	----

### LAST 10 YEARS FINANCIAL HIGHLIGHTS:

Year ended 31 <sup>st</sup> March (₹ in crores)	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY 21	FY 22
<b>Net Sales (A)</b>	<b>515.50</b>	<b>444.78</b>	<b>516.89</b>	<b>563.30</b>	<b>610.94</b>	<b>639.02</b>	<b>828.83</b>	<b>858.58</b>	<b>692.30</b>	<b>1,127.20</b>
<b>Expenditure (B)</b>	<b>481.32</b>	<b>429.81</b>	<b>497.14</b>	<b>525.89</b>	<b>550.75</b>	<b>573.00</b>	<b>735.25</b>	<b>744.84</b>	<b>615.28</b>	<b>988.21</b>
<b>EBITDA (C=A-B)</b>	<b>34.18</b>	<b>14.97</b>	<b>19.75</b>	<b>37.41</b>	<b>60.18</b>	<b>66.02</b>	<b>93.58</b>	<b>113.74</b>	<b>77.03</b>	<b>139.00</b>
Interest & Bank Charges (D)	0.49	0.37	0.30	0.43	0.51	0.56	0.00	0.00	0.01	0.80
Depreciation ('E)	7.67	7.13	7.22	5.98	5.82	5.99	7.15	8.99	8.85	7.94
Other Income (F)	20.02	26.74	21.16	28.29	38.98	40.67	36.25	8.61	72.29	42.95
<b>PBT (G=C-D-E+F)</b>	<b>46.03</b>	<b>34.21</b>	<b>33.39</b>	<b>59.29</b>	<b>92.83</b>	<b>100.14</b>	<b>122.68</b>	<b>113.36</b>	<b>140.46</b>	<b>173.21</b>
Tax (H)	13.13	7.92	4.98	15.31	20.62	26.66	37.84	23.98	28.24	40.37
<b>PAT (I=G-H)</b>	<b>32.90</b>	<b>26.29</b>	<b>28.41</b>	<b>43.98</b>	<b>72.21</b>	<b>73.48</b>	<b>84.84</b>	<b>89.38</b>	<b>112.22</b>	<b>132.84</b>
Other Comprehensive Income/(Expense) (OCI) (J)	----	----	----	----	(0.35)	(0.11)	0.05	(0.44)	(1.00)	0.45
<b>TOTAL OCI (K=I+J)</b>	<b>32.90</b>	<b>26.29</b>	<b>28.41</b>	<b>43.98</b>	<b>71.86</b>	<b>73.37</b>	<b>84.89</b>	<b>88.94</b>	<b>111.22</b>	<b>133.29</b>
<b>Key Ratios (%)</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY 21</b>	<b>FY 22</b>
EBITDA Margin (L=C/A*100)	6.63	3.37	3.82	6.64	9.85	10.33	11.29	13.25	11.19	12.33
Net Margin (M=K/(A+F)*100)	6.14	5.58	5.28	7.43	11.06	10.79	9.81	10.26	14.54	11.39

### CAUTIONARY STATEMENT:

Statements in this report on Management Discussion and Analysis relating to the Company's objectives, projections, estimates, expectations or prediction may be forward looking within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. By their nature, forward-looking statements require the company to make assumptions and are subject to change based on risks and uncertainties. Actual results might differ materially from those expressed or implied depending upon factors such as climatic conditions, global and domestic demand-supply conditions, finished goods prices, raw materials cost and availability, foreign exchange market movements, changes in Government regulations and tax structure, economic and political developments within India and the countries with which the Company has business and other factors such as litigation and industrial relations. The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

## ANNEXURE - V TO THE DIRECTORS' REPORT

### SECRETARIAL AUDIT REPORT

(For the Financial year ended on 31<sup>st</sup> March, 2022)

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**To,**  
**The Members,**  
**Voltamp Transformers Limited,**  
**Makarpura, Vadodara,**

Dear Sirs,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Voltamp Transformers Ltd.** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2022**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 **31<sup>st</sup> March, 2022**, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings. - As reported to us there were no FDI, ODI and ECB transactions in the Company during the Audit period.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
  - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - D. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. - Not Applicable as the Company has not granted any options to its employees during the financial year under review.
  - E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. Not Applicable as there is no issue and listing of debt securities.
  - F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993. - The Company is not registered as Registrar to Issue and Share Transfer Agent.
  - G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. - Not Applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.
  - H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. - Not Applicable as the Company did not buy back any security during the financial year under review.

Considering representation of management and products, process and location of the Company, following laws are applicable specifically to the Company. Having regard to the compliance system prevailing in the Company and on examination of the relevant records on test check basis, we further report that the Company has complied with the following laws;

1. The Environment (Protection) Act, 1986
2. The Air (Prevention and Control of Pollution) Act, 1981
3. The Water (Prevention and Control of Pollution) Act, 1974

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

- (i) The Mandatory Secretarial Standards (SS1 and SS2) issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**We further report that;**

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days 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.

We further report that as per the minutes of the meetings duly recorded and signed by the Chairman, the decisions were carried at meetings without any dissent.

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.

During the year under review, Kunjal Investments Private Limited (CIN U65100GJ1973PTC002415) was merged with the Company. The order of NCLT was filed through Form INC-28 on 20<sup>th</sup> August, 2021. Consequent upon merger equity share holding of Kunjal Investments Private Limited in the Company was cancelled. The promoters of Kunjal Investments Private Limited Mr. Kunjal L Patel was allotted 43,23,835 equity shares of the Company and Mrs. Taral K Patel was allotted 20,639 equity shares of the Company. The listing permission of the Stock Exchange for the said shares have been received.

**For J. J. Gandhi & Co.  
Practicing Company Secretaries**

**Place : Vadodara  
Date : 21<sup>st</sup> May, 2022**

**J. J. Gandhi  
Proprietor  
FCS No. 3519 and CP No. 2515  
UDIN No. F003519D000360722**

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

## Annexure to Secretarial Audit Report

Date: 21<sup>st</sup> May, 2022

To,  
The Members,  
Voltamp Transformers Limited,  
Makarpura, Vadodara.

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 the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices, we followed provided 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. The Compliance of applicable financial laws like direct and indirect laws have not been reviewed in this Audit since the same have been subject to review by Statutory Financial Audit and other designated professionals.
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 procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For J. J. Gandhi & Co.**  
**Practicing Company Secretaries**

**J. J. Gandhi**  
**Proprietor**  
**FCS No. 3519 and CP No. 2515**

## ANNEXURE VI TO THE DIRECTORS' REPORT

### NOMINATION AND REMUNERATION POLICY

Voltamp Transformers Limited ("the Company") has constituted Nomination and Remuneration Committee ("Committee") pursuant to the provisions of section 178 of the Companies Act, 2013 and rules made thereunder and clause 40 of the Listing Agreement. This Policy has been formed for nomination and deciding remuneration of Directors, Key Managerial Personnel (KMP) and other employees of the Company, by the Nomination and Remuneration Committee and approved by the Board of Directors at their respective meetings held on 20<sup>th</sup> May, 2015.

#### OBJECTIVE

The Policy has been formed with an objective that the remuneration of Directors, Key Managerial Personnel (KMP) and other employees of the Company is appropriate considering short and long term performance objectives appropriate to the working of the Company and the same is suitable based on the Company's size, financial position and practices prevailing in peer companies in the industries, with a view to ensure long term sustainability of the Company.

#### APPLICABILITY

The Remuneration Policy shall be applicable to all Directors, KMPs and Other employees, present as well as future and shall be of guidance for the Board.

#### SCOPE & FUNCTIONS

The Committee shall identify persons who are qualified to become Directors and who may be appointed in senior management, in accordance with the criteria laid down, and recommend to the Board, their appointment and removal and shall carry out evaluation of every Director's performance.

The Committee shall ensure 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;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and officials working at senior management level 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.

#### RETIREMENT & REMOVAL

The Director, KMP and other employees of the Company, shall retire as per the applicable provisions of the regulations and the prevailing policy of the Company and / or the provisions of the Companies Act, 2013 & applicable Act, Rules and Regulations, if any. The removal of Director and KMP shall be subject to the provisions of the Companies Act, 2013 and the rules made thereunder.

#### REMUNERATION TO MANAGING DIRECTOR

- At the time of appointment or re-appointment, the remuneration (including perquisites, commission, etc.) to be paid to the Managing Director, shall be recommended by the Nomination & Remuneration Committee and approved by the Board. The overall remuneration shall be in accordance with the terms and conditions and overall limit prescribed as per the applicable provisions of the Companies Act, 2013 and the rules made thereunder and schedules thereto and shall be subject to prior / post approval of the shareholders of the Company and Central Government, if required.
- If, in any financial year, the Company has no profits or the profits are inadequate, the Company shall pay remuneration to the Managing Director/s in accordance with the provisions of Schedule V of the Companies Act, 2013 OR with the previous approval of the Central Government, if required.

#### REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTOR

- The Non-executive Directors of the Company shall be paid sitting fees as per the applicable regulations, and as approved by the Board of Directors from time to time.

#### REMUNERATION TO KMP AND OTHER EMPLOYEES

The KMPs and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and / or as may be approved by the Committee, if required. The break-up of pay scale and quantum of perquisites including employer's contribution to P.F., pension scheme, etc. shall be as per the Company's HR policies.

#### AMENDMENT

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, the same shall be recorded in the minutes of the Committee and Board.

## ANNEXURE – VII TO THE DIRECTORS’ REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES [as prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014]

<b>Our Philosophy</b>	: We believe in holistic community building with special focus on Nutrition, healthcare, education and women empowerment of the underserved within the communities we operate in.
<b>Vision</b>	: It is our vision to see thriving communities that comprise of happy, healthy and actively learning children, employed youth, empowered and healthy women.
<b>Objectives</b>	: To create educated, active, empowered and healthy communities through making available healthcare, sanitation and education facilities, through Sustainable Programs that spread awareness in Mental and Emotional health, through Women’s Empowerment Projects that make them financially educated, through Food and Nutrition programs that focus on healthy living and habits and through infrastructure support wherever required. Our focus for all these initiatives will be sustainability, stability and security

**1. A brief outline of the Company’s CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes:**

Please refer to Corporate Social Responsibility Policy posted on the Company’s website at [http://www.voltamptransformers.com/pdf/corporate\\_social\\_responsibility\\_policy.pdf](http://www.voltamptransformers.com/pdf/corporate_social_responsibility_policy.pdf)

**2. The Composition of the CSR Committee:**

These details are already given in Annexure III of Director report i.e. in Corporate Governance Report.

**3. The weblink where composition of CSR Committee, CSR Policy, and CSR Projects approved by the Board are disclosed on the website of the Company :** The Company has framed a CSR policy in compliance with the provision of Section 135 of the Companies Act, 2013 and the same is placed on the website of the Company [www.voltamptransformers.com](http://www.voltamptransformers.com).

**4. Details of Impact assessment of CSR projects carried out in pursuance of sub rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:** Not Applicable

**5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

SR No.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be set-off for the financial year, if any
1	2021-22	Not applicable	NA

**6. Average net profit of the Company for last three financial years as per Section 135 (5):**

(₹ in lakhs)

Particulars	2018-19	2019-20	2020-21
Net Profit	10093.80	11590.11	8129.22

Average net profit of the Company for last three financial years is at ₹ 9937.71 lakhs

- 7. (a) Prescribed CSR expenditure (two per cent of the amount as in item 6 above) : ₹ 198.75 lakhs**  
**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : NIL**  
**(c) Amount required to be set off for the financial year, if any : NIL**  
**(d) Total CSR obligation for the financial year (7a +7b +7c) : ₹ 198.75 lakhs**

8. (a) CSR amount spent or unspent for the financial year :

Total amount spent for the financial year (₹ in lakhs)	Amount Unspent (in ₹ Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
198.75	34.59	29.04.2022	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR account for the project as per Section 135 (6) (in ₹)	Mode of implementation Direct (Yes / No)	Mode of implementation through implementing agency	
				State	District						Name	*CSR Registration Number
1	ICT (Information and Communication Technology) enabled Resource Centres	(ii)	Yes	Gujarat	Vadodara	2	2990556	----	2990556	No	Baroda Citizens Council, Vadodara	CSR00007015
2	Civil work of Doctor consulting room at Gangadia village, Health care	(i)	Yes	Gujarat	Vadodara	2	1169281	700000	469281	Yes	NA	NA
<b>TOTAL</b>							<b>4159837</b>	<b>700000</b>	<b>3459837</b>			

## (c) Details of CSR amount spent against, other than ongoing projects, for the financial year:

(1) Sl No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of implementation Direct (Yes / No)	(8) Mode of implementation through implementing agency	
				State	District			Name	*CSR Registration Number
1	Healthcare	(i)	Yes	Gujarat	Vadodara	1000000	No	Medical Care Centre Trust	CSR00003940
2	Healthcare	(i)	Yes	Gujarat	Vadodara	500000	No	Hari Om Seva Trust	CSR00004215
3	Healthcare	(i)	Yes	Gujarat	Vadodara	1000000	No	Round Table India Trust	CSR00000895
4	Education Promotion, Health	(i), (ii)	Yes	Gujarat	Vadodara	500000	No	Shri Jalaram Sevashram Trust care, & Eradicating hunger,	CSR00030544
5	Education Promotion & Healthcare	(ii), (i)	Yes	Gujarat	Vadodara	2395000	No	United Way of Baroda	CSR00002187
6	Education Promotion & Healthcare	(i), (ii)	Yes	Gujarat	Vadodara	721574	No	Baroda Citizen Council	CSR00007015
7	Education promotion, Empowering Woman, setting up hostels for women	(ii), (iii)	Yes	Gujarat	Vadodara	1000000	No	Lions Blind Girls Welfare Centre Trust	CSR00013035
8	Healthcare	(i)	Yes	Gujarat	Nadiad	1950000	No	Vithaldas Tulsidas Desai Charity Trust	CSR00005235
9	Eradicating hunger, and malnutrition	(i)	Yes	Gujarat	Vadodara	2222000	No	The Akshaya Patra Foundation	CSR00000286
10	Healthcare	(i)	Yes	Gujarat	Jhagadia	2500000	No	SEWA Rural	CSR00002749
11	Promotion of Sport	(vii)	No	Maharashtra	Mumbai	500000	No	Olympic Gold Quest	CSR00001100
12	Health care	(i)	Yes	Gujarat	Anand	500000	No	Charutar Arogya Mandal	CSR00002068
13	Promotion of Sport	(vii)	Yes	Gujarat	Vadodara	300000	No	Bal Bhavan Society	CSR00030346
14	Education Promotion	(ii)	Yes	Gujarat	Vadodara	377010	Yes	NA	NA
15	Eradicating Hunger	(i)	Yes	Gujarat	Vadodara	250000	No	Lagni Foundation	CSR0000051
<b>Total</b>						<b>15715584</b>			

- (d) Amount spent in administrative overheads : **NA**
- (e) Amount spent on impact assessment, if applicable : **NA**
- (f) Total amount spent for the financial year (8b + 8c + 8d +8e) : **₹ 198.75 Lakhs**
- (g) Excess amounts for set off, if any : **NA**

## 9. (a) Details of Unspent CSR amount for the preceding three financial years : Not Applicable

Sl No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹ Lakhs)	Amount transferred to any fund specified under schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding Financial Year (in ₹ Lakhs)
				Name of the Fund	Amount (in ₹)	Date of transfer	
----	----	----	----	----	----	----	----

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year :

Sl No.	Project ID	Name of the Project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting financial year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project completed / ongoing
1	---	School project at Maninagar Primary School	2020-21	2	765000	635000	765000	Completed
2	---	Women Empowerment through SHG Promotion and Livelihood Enhancement Initiative	2020-21	3	1767050	1534500	1534500	ongoing

10. In case of creation or acquisition of capital assets, furnish the details relating to the assets so created or acquired through CSR spent in the financial year: Not Applicable

11. Specify the reason(s), if the Company has failed to spend two percent of the net profit as per Section 135(5) :  
Not applicable

For Voltamp Transformers Limited

Kanubhai S. Patel  
Chairman & Managing Director

For and on behalf of the  
Corporate Social Responsibility Committee

Taral K. Patel  
Chairperson of the Corporate  
Social Responsibility Committee

## Annexure VIII to the Directors' Report

### Business Responsibility Report

#### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L31100GJ1967PLC001437		
2	Name of the Company	Voltamp Transformers Limited		
3	Registered address	Makarpura, Vadodara -390014, Gujarat		
4	Website	www.voltamptransformers.com		
5	E-mail id	voltamp@voltamptransformers.com		
6	Financial Year reported	01 <sup>st</sup> April 2021 to 31 <sup>st</sup> March 2022		
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Group	NIC Code / Class	Description
		271	2710	Manufacture of Electrical Transformers
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	1) Electrical Transformers 2) Ring Main Unit (RMU) 3) Services relating to transformers		
9	Total number of locations where business activity is undertaken by the Company : (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	<b>Not Applicable</b> Works 1 :Makarpura, Vadodara-390014, Gujarat, India. Works 2: Village Vadadala, Jarod Samlaya Road, Taluka : Savli, Dist Vadodara – 391520, Gujarat, India.		
10	Markets served by the Company - Local/State/National/International	Company has its business presence in India and outside India.		

#### SECTION B: FINANCIAL DETAILS OF THE COMPANY

(₹ In Lakhs)

1	Paid up Capital (INR)	1011.71
2	Total Turnover (INR)	112720.91
3	Total profit after taxes (INR)	13328.38
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.00% (of average net profit for previous three years)
5	List of activities in which expenditure in 4 above has been incurred:	Refer CSR report attached to the Directors' report

#### SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	No
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)	Not applicable
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

### SECTION D: BR INFORMATION

<b>1</b>	Details of Director/Directors responsible for BR	: <b>Shri Kanubhai S. Patel</b>
<b>2</b>	(a) Details of the Director/Director responsible for implementation of the BR policy/policies 1. DIN Number : 2. Name : 3. Designation :  (b) Details of the BR head:DIN Number (if applicable) Name Designation : Telephone number : Email id	<b>00008395</b> <b>Shri Kanubhai S. Patel</b> <b>Chairman &amp; Managing Director</b>  : <b>Same as above</b> : <b>Same as above</b> : <b>Same as above</b> <b>0265 - 3041480</b> : <b>voltamp@voltamptransformers.com</b>

2. Principle-wise (as per NVGs) BR Policy/policies(a) Details of compliance (Reply in Y/N)

The National voluntary guidelines on Social, Environmental and Economic Responsibilities of business (NVGs) release by the Ministry of Corporate affairs has adopted nine areas of Business Responsibility.

Principle 1 : Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

Principle 2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

Principle 3 : Businesses should promote the wellbeing of all employees.

Principle 4 : Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

Principle 5 : Businesses should respect and promote human rights.

Principle 6 : Business should respect, protect and make efforts to restore the environment.

Principle 7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Principle 8 : Businesses should support inclusive growth and equitable Development.

Principle 9 : Businesses should engage with and provide value to their customers and consumers in a responsible manner.

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for ....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	All the policies have been developed considering relevant national standards including but not limited to Companies Act, Factories Act, ISO, BIS standards etc.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/ CEO/ appropriate Board Director?	Policies mandated under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are approved by the Board and other applicable policies are approved by the Managing Director or Functional Head of the Company as appropriate.								
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	The Company has Audit Committee, The CSR Committee, The Sexual Harassment of Women at workplace committee and adequate internal control systems to oversee the implementation of such policies.								
6	Indicate the link for the policy to be viewed online?	<a href="https://www.voltamptransformers.com-investorsdesk/policies">https://www.voltamptransformers.com-investorsdesk/policies</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, wherever appropriate.								
8	Does the Company have in-house structure to implement the policy/policies.	Yes								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes, wherever appropriate.								
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes, wherever appropriate.								

<b>3.</b>	Governance related to BR	
<b>(a)</b>	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.	<b>The Board of Directors assess the BR Performance on annual or half yearly basis depending upon the type of BR activities.</b>
<b>(b)</b>	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	<b>It would be included as a part of the Annual Report of the Company. One can view this report in the Annual Report of the Company uploaded on the website of the Company.</b>

## SECTION E: PRINCIPLE-WISE PERFORMANCE

## Principle 1 :

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

1	Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/Others?	<b>No.</b> It extends to various stakeholders including Suppliers, Contractors, Consultants and Others.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	During the year under review, the Company did not receive any such complaint.

## Principle 2 :

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities. - <b>Electrical Transformers</b> - <b>Ring Main Unit (RMU)</b> - <b>Services relating to transformers</b>
2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? – <b>Not available</b> (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year? – <b>Not available</b>
3	Does the Company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so. <b>Yes. The Company has set procedures to select suppliers, contractors and service providers based on their competence and capability to undertake tasks. The Company prefers to do business with compliant and sustainable suppliers. The Company has set procedures in place for sustainable transportation as well. At the time of qualification to become the Company's supplier the vendor is assessed across set sustainability matrices. All of the Company's vendors mandatorily go through a stringent evaluation and qualification criteria before they are registered with the Company.</b>
4	Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors? <b>The Company being in business since more than 56 year, is instrumental along with other MNCs to develop very large base of small vendors locally who have scaled up over period of times. The Company provides technical support and guidance to vendors including financial assistance and payment against delivery of material in developing products wherever required.</b>
5	Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so. <b>Yes. The Company is committed to increasing waste efficiency through the ISO certification for all plants. Waste is segregated in to hazardous and non-hazardous waste and managed through a robust waste management system.</b> a) <b>Hazardous waste is sent to registered recyclers or to GPCB authorised TSDF (transportation, storage and disposal facilities) for disposal.</b> b) <b>Sewage is treated in the sewage treatment plant. The treated water is used for plantation.</b>

## Principle 3 :

Businesses should promote the well being of all employees

1	Please indicate the Total number of employees.	328		
2	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	515		
3	Please indicate the Number of permanent women employees.	15		
4	Please indicate the Number of permanent employees with disabilities	02		
5	Do you have an employee association that is recognized by management.	NO		
6	What percentage of your permanent employees is members of this recognized employee association?	Not applicable		
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	NIL		
	<b>No.</b>	<b>Category</b>	<b>No of complaints filed during the financial year</b>	<b>No of complaints pending as on end of the financial year</b>
	1	Child labour/forced labour/in voluntary labour	NIL	NIL
	2	Sexual harassment	NIL	NIL
	3	Discriminatory employment	NIL	NIL

<b>8</b>	<p>What percentage of your under mentioned employees were given safety &amp; skill upgradation training in the last year?</p> <p>(a) Permanent Employees (b) Permanent Women Employees (c) Casual/Temporary/Contractual Employees</p>	<p><b>Yes</b></p> <p><b>The employees are subjected to skill based training depending on the work and job roles. Training matrix is designed based on their job risk profiles. As and when required, refresher trainings are provided to upgrade skill based on any changes in the work / job profiles of employees.</b></p>
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**Principle 4**

**Businesses should respect the interest of and be responsive towards all Stakeholders, especially those who are Disadvantaged, Vulnerable and Marginalized.**

<b>1</b>	Has the Company mapped its internal and external stakeholders?	<b>Yes</b>
<b>2</b>	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.	<b>Yes</b>
<b>3</b>	<p>Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.</p> <p><b>Yes. The Company undertake its CSR activities for disadvantaged, vulnerable communities including focus on disability sector and assists in community development in and around its factory operations. details of various CSR initiatives of the Company are part of the Board's Report included in this Annual Report.</b></p>	

**Principle 5**

**Businesses should respect and promote Human Right.**

<b>1</b>	<p>Does the policy of the Company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?</p> <p><b>No. It is applicable to all Suppliers, Contractors, Consultants and Others.</b></p>
<b>2</b>	<p>How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?</p> <p><b>During the year under review, the Company did not receive any such complaint.</b></p>

**Principle 6**

**Businesses should Respect, Protect and make efforts to restore the environment.**

<b>1</b>	<p>Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.</p> <p><b>No. It is applicable to all Suppliers, Contractors, Consultants and Others.</b></p>
<b>2</b>	<p>Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.</p> <p><b>Yes. The Company has been cautious of the rapidly changing climate conditions and its impact on the environment and humanity. The Company has taken various steps towards delivering its responsibility to combat climate change. Some of the major steps include, installation of 516 KW captive solar plant at its both manufacturing locations to harness renewable energy and reducing carbon footprint, plantation to sequester the CO2 and adding value to biodiversity etc.</b></p>
<b>3</b>	<p>Does the Company identify and assess potential environmental risks? YIN</p> <p><b>Yes</b></p>
<b>4</b>	<p>Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?</p> <p><b>No</b></p>
<b>5</b>	<p>Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.</p> <p><b>Yes. The Company has taken various initiatives on conservation of energy and technology absorption as mentioned in Annexure I to the Board's Report.</b></p>
<b>6</b>	<p>Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?</p> <p><b>Yes</b></p>
<b>7</b>	<p>Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.</p> <p><b>Nil</b></p>

**Principle 7****Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.**

1	Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with: a. <b>Vadodara Chamber of Commerce &amp; Industry (VCCI)</b> b. <b>Confederation of Indian Industries (CII)</b> c. <b>Indian Electrical and Electronics Manufacturers Association of India (IEEMA)</b>
2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas ( drop box:Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)  <b>No</b>

**Principle 8****Businesses should support inclusive growth and equitable Development.**

1	Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof. <b>Yes. Company has a CSR policy and undertakes a number of projects that are focused on identified areas of social development.</b>
2	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization? <b>The Company undertakes programmes/projects directly/through various external Non-Profit Organisations like, Trust, Foundation, Council, and others.</b>
3	Have you done any impact assessment of your initiative? <b>Not yet</b>
4	What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken. <b>During the F.Y. 2021-22 the Company spent ₹ 1.98 crores towards CSR programs.The details are mentioned in Annexure VII to the Board's Report.</b>
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so. <b>CSR activities were pursued in line with the Company's policy and framework. The first step in the process is to identify communities that require Company's intervention through a stakeholder engagement. The Company has continual interactions with the relevant stakeholders so that its interventions are sustainable and is accepted and adopted by its stakeholders.</b>

**Principle 9****Businesses should engage with and provide value to their customers and consumers in a responsible manner**

1	What percentage of customer complaints/consumer cases are pending as on the end of financial year. <b>Nil</b>
2	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information) <b>No.</b>
3	Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so. <b>No</b>
4	Did your Company carry out any consumer survey/ consumer satisfaction trends? <b>No</b>

## INDEPENDENT AUDITORS' REPORT

To,  
**The Members of Voltamp Transformers Limited**  
**Report on the Audit of the Financial Statements**

### Opinion

We have audited the accompanying Financial Statements of Voltamp Transformers Limited (“the Company”), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31<sup>st</sup> March, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

### Emphasis of Matter

We draw attention to Note 49 of the financial statement regarding the Schemes approved by the Hon’ble National Company Law Tribunal, Ahmedabad bench (“NCLT”), vide its order dated August 16, 2021, sanctioned the Scheme of Amalgamation between Kunjal Investments Private Limited (“Transferor Company”) and Voltamp Transformers Limited (“Transferee Company”) and their respective shareholder and creditors under section 230-232 of Companies Act, 2013. All the assets, liabilities, reserves and surplus of the transferor Company have been transferred to the Company from the appointed date of 1<sup>st</sup> June, 2020 at the carrying values as from that date. Further, the equity shares of the transferee Company held by the transferor Company stands cancelled and the difference between the book value of Investments held by the transferor Company in the transferee Company and the face value of New Equity shares issued by the transferee Company to the shareholders of transferor Company, is adjusted against the reserves of the transferor Company as recorded in the books of transferee Company. Further, as per the scheme, all the cost incurred in implementing the above scheme will be borne by the transferor Company and deficit or surplus in the total cost in relation to scheme as compared to the amount of cash and bank balance (including amount refundable from Income Tax department) shall be reimbursed by or refunded to the promoter of the transferor Company. The Company has given effect to scheme in the financial statement. Further, as per requirements of Ind AS 103 “Business Combination”, the comparatives for the previous period have been restated.

Our opinion on the statement is not modified in respect of the above matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr No	Key Audit Matter	Auditor's Response
1	<p><b>Litigations, Provisions and Contingent Liabilities</b></p> <p>The Company has several litigations for to direct tax as well as indirect tax which include matters under dispute which involves significant management judgement and estimates on the possible outcome of the litigations and consequent provisioning thereof or disclosure as contingent liabilities.</p> <p>Refer note no. 43(b) of financial statement.</p>	<p><b>Principal Audit Procedures</b></p> <p>As part of the audit process, we obtained from the management details of matters under disputes including ongoing and completed tax assessments, demands and other litigations.</p> <p>Our audit approach for the above consists of the following audit procedures:</p> <ul style="list-style-type: none"> <li>● Evaluation and testing of the design of internal controls followed by the company relating to litigations and open tax positions for direct and indirect taxes and process followed to decide provisioning or disclosure as Contingent Liabilities;</li> <li>● Discussed with company's legal team and taxation team for sufficient understanding of on-going and potential legal matters impacting the company.</li> <li>● We involved our internal expert to evaluate the management's underlying judgements in making their estimates with regard to such matters.</li> </ul>

### Information other than the Financial Statement and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexure to that Board's Report, Corporate Governance, and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained 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.

### Responsibilities of Management and Those Charged with Governance 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 Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with 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 Statements 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 are also responsible for overseeing the company's financial reporting process.

## Auditor's Responsibilities for the Audit of Financial Statements

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

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

- 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;

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Company 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 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 sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;
  - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 43 to the 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;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. 1. The Management has represented that, to the best of its knowledge and belief, as disclosed in note no. 50(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

2. The Management has represented that, to the best of its knowledge and belief, as disclosed in note no. 50(vi) to the financial statements, that no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
3. Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend  
As stated in note no.51 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

Place : Vadodara  
Date : 25<sup>th</sup> May, 2022

For C N K & Associates, LLP  
Chartered Accountants  
FRN: 101961W/W-100036  
Alok Shah  
Partner  
Membership Number: 42005  
UDIN No. : 22042005AJQMQM28983

### Annexure 'A' to the Independent Auditors' Report

**Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Financial Statements for the year ended 31<sup>st</sup> March, 2022.**

To the best of our information and according to the 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. (a) In respect of the Company's Property, Plant and Equipment's and Intangible Assets:
  - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
  - (B) The Company has maintained proper records showing full particulars of Intangible Assets;
- (b) The Company has a phased programme of physical verification of its Property, Plant and Equipment so as to cover all assets once in three years. In accordance with this programme, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets;
- (c) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, 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) as disclosed in the financial statements, are held in the name of the Company as at the Balance Sheet date;
- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.

- (e) As disclosed in note no. 50(i) to the accounts and as verified by us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) In our opinion and according to information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals with appropriate coverage and procedures of such verification by the management and no discrepancies were noticed on physical verification of 10% or more in aggregate for each class of inventory;
- (b) Based on our examination of the records, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets and quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- iii. The Company has made investments in, Companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which;
- a) The Company has provided loans to employee and other parties during the year, are as follows:

Unsecured Loans	No. of Parties	Aggregate amount granted/ provided during the year (₹ In Lakhs)	Balance Outstanding as at balance sheet date in respect of loans (₹ In Lakhs)
Other Parties	20	1,262.00	23.93
Employee	4	5.30	3.45

- b) In our opinion and according to the information provided to us, the terms and conditions of the grant of such loans and investments made are not prejudicial to the interest of the Company;
- c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
- d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- Other than that, mentioned above, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnership or any other parties;
- iv. In our opinion and according to the information provided to us, there are no loan to directors including entities in which they are interested in respect of which provision of section 185 are applicable and hence not commented upon. Further, in our opinion and according to information and explanation given to us, provision of section 186 in respect of loans and advances given and investment made have been complied with by the Company. There are no guarantees and securities given in respect of which provision of section 186 of the Act are applicable and hence not commented upon;
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits during the year and therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder are not applicable to the Company;
- vi. We have broadly reviewed the cost records maintained by the Company as prescribed by the Central Government under sub section (1) of Section 148 of the Companies Act and are of the opinion that prima facie the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete;

- vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues including Goods and Service tax, provident fund, employee state insurance, income-tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues as applicable to the appropriate authorities. There were no undisputed amounts payable with respect to above statutory dues in arrears as at 31<sup>st</sup> March, 2022 for a period of six months from the date they became payable;
- (b) According to the information and explanations given to us and the records examined by us, the particulars of statutory dues as at 31<sup>st</sup> March, 2022 which have not been deposited on account of a dispute, are as follows:

Name of the Statute	Nature of dues	Amount* (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty (Including interest and penalty thereon)	292.01	January 2010 to June 2017	Appeal filed at CESTAT, Ahmedabad
Income Tax Act, 1961	Income Tax	146.42	FY 2009-10	Appeal to HC by the Revenue Department
Income Tax Act, 1961	Income Tax	199.95	FY 2010-11	Appeal to HC by the Revenue Department
Income Tax Act, 1961	Income Tax	174.17	FY 2011-12	Appeal to HC by the Revenue Department
Income Tax Act, 1961	Income Tax	192.70	FY 2012-13	Appeal to HC by the Revenue Department
Income Tax Act, 1961	Income Tax	157.08	FY 2013-14	Appeal to ITAT by the Revenue Department
Income Tax Act, 1961	Income Tax	122.94	FY 2016-17	Appeal to CIT(A) by Assessee
Income Tax Act, 1961	Income Tax	23.39	FY 2017-18	Appeal to CIT(A) by Assessee

\*Net of amount paid under protest

- viii. (a) As disclosed in note no. 50(vii) to the accounts and as verified by us, there were no transactions which were not recorded in the books of account, have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961;
- ix. (a) The Company has not taken any loans and other borrowings from any lender. Accordingly, reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) As disclosed in note no. 50(ix) to the accounts and as verified by us, the Company is not declared as wilful defaulter by any bank or financial institution or other lender;
- (c) The Company has not taken any term loan during the year nor any term loans were outstanding at the beginning of the years. Accordingly reporting under clause 3(ix)(c) of the Order is not applicable to the Company;
- (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 purposes by the Company.
- (e) According to the information and explanations given to us, and the records examined by us, the Company has no subsidiaries, associates or joint ventures. Accordingly, reporting under the clause 3 (ix) (e) and (f) is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable;
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

- xi. (a) During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud on or by the Company noticed or reported during the year, nor we have been informed of any such case by the management.
- (b) According to the information and explanations given to us, and based on our examination of the records no fraud on or by the Company noticed or reported during the course of audit. Accordingly reporting under this clause is not applicable;
- (c) According to the information and explanations provided to us, no whistle-blower complaints have received during the year by the Company.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable;
- xiii. In our opinion, all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards;
- xiv. (a) In our opinion and the records examined by us, the Company has an internal audit system commensurate with the size and nature of its business of the Company;
- (b) We have considered report of the internal auditors for the period under audit;
- xv. According to the information and explanation given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with them. Hence, the provisions of Section 192 of the Act are not applicable;
- xvi. (a) 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.
- (b) 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 during the year;
- 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. (a) According to the information and explanation given to us and based on our examination of the records, company is not required to transfer any unspent amount to a Fund specified in Schedule VII to the Companies Act within period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act from the date the section became effective i.e 22<sup>nd</sup> January, 2021. The year wise details of unspent amount prior to above date is as follows:

Financial Year	Amount identified for spending on Corporate Social Responsibility activities "other than Ongoing Projects"	Unspent amount of (b)	Amount Transferred to Fund specified in Schedule VII to the Act	Due date of transfer to the specified fund	Actual date of transfer to the specified fund	Number of days of delay if any
(a)	(b)	(c)	(d)	(e)	(f)	(g)
2014-15	57.03	13.36	-	-	-	-
2016-17	79.38	14.44	-	-	-	-
2017-18	116.06	59.76	-	-	-	-
2018-19	154.06	75.77	-	-	-	-
2019-20	176.34	14.92	-	-	-	-

- (b) According to the information and explanation given to us and based on our examination of the records, company has transferred amount remaining unspent under section 135(5) of the companies act pursuant to any ongoing project, to special account in compliance with the provision of section 135(6) of the said Act.

Financial Year	Amount identified for spending on Corporate Social Responsibility activities for "Ongoing Projects"	Unspent amount of (b)	Amount Transferred to Special Account u/s 135(6)	Due date of transfer to the account	Actual date of transfer to the account	Number of days of delay if any
(a)	(b)	(c)	(d)	(e)	(f)	(g)
2020-21	195.93	24.02	24.02	30/04/2021	30/04/2021	Nil
2021-22	198.75	34.59	34.59	30/04/2022	29/04/2022	Nil

- xxi. According to the information and explanations provided by the management, the company has no subsidiary, associates or joint venture and the company is not required to prepare Consolidated Financial Statements as per the section 129 of the Companies Act. Accordingly reporting under clause 3(xxi) is not applicable to the Company.

For C N K & Associates, LLP  
Chartered Accountants  
FRN: 101961W/W-100036

Alok Shah  
Partner

Place : Vadodara  
Date : 25<sup>th</sup> May, 2022

Membership Number: 42005  
UDIN No. : 22042005AJQMQZ8983

## Annexure 'B' to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **VOLTAMP TRANSFORMERS LIMITED** ("the Company") as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

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

The Board of Directors of the company 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 with reference to financial statements of the Company 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") 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 with reference to financial statements of the company were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements of the company and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an internal financial controls with reference to financial statements of the Company and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, C N K & Associates, LLP**  
**Chartered Accountants**  
**FRN: 101961W/W-100036**

**Place : Vadodara**  
**Date : 25<sup>th</sup> May, 2022**

**Alok Shah**  
**Partner**  
**Membership Number: 42005**  
**UDIN No. : 22042005AJOQMZ8983**

**BALANCE SHEET as at 31<sup>st</sup> March, 2022**

ALL AMOUNTS ARE IN LAKHS UNLESS OTHERWISE STATED

Sr. No.	Particulars	Note No	As at 31 <sup>st</sup> March, 2022 (₹)	As at 31 <sup>st</sup> March, 2021 (₹)
<b>ASSETS</b>				
(1)	<b>Non-current Assets</b>			
	(a) Property, plant and equipment	4	6,110.12	5,226.38
	(b) Capital work-in-progress	5	777.98	828.65
	(c) Intangible assets	6	40.58	41.70
	(d) Financial assets			
	(i) Investments	7	47,962.09	46,883.60
	(ii) Other financial assets	8	289.48	1,871.31
	(e) Deferred tax assets (net)	9	-	37.69
	(f) Other non-current assets	10	364.05	119.48
	<b>Total Non Current Assets</b>		<b>55,544.30</b>	<b>55,008.81</b>
(2)	<b>Current assets</b>			
	(a) Inventories	11	20,937.23	12,731.46
	(b) Financial assets			
	(i) Investments	12	8,165.27	2,342.20
	(ii) Trade receivables	13	19,044.87	17,072.12
	(iii) Cash and cash equivalents	14	1,329.98	2,011.94
	(iv) Bank balances other than (iii) above	15	16.63	535.08
	(v) Loans	16	24.97	17.36
	(vi) Other financial assets	17	584.68	539.44
	(c) Other current assets	18	475.83	1,352.83
	<b>Total Current Assets</b>		<b>50,579.46</b>	<b>36,602.43</b>
	<b>Total Assets</b>		<b>1,06,123.76</b>	<b>91,611.24</b>
(1)	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity share capital	19	1,011.71	1,011.71
	(b) Other equity	20	93,202.88	82,403.78
	<b>Total equity attributable to equity holders of the Company</b>		<b>94,214.59</b>	<b>83,415.49</b>
	<b>LIABILITIES</b>			
(2)	<b>Non-Current liabilities</b>			
	(a) Provisions	21	1,159.88	1,100.04
	(b) Deferred tax liabilities (Net)	9	205.47	-
	<b>Total Non Current Liabilities</b>		<b>1,365.35</b>	<b>1,100.04</b>
(3)	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Trade payables	22		
	- Total outstanding dues of micro enterprises and small enterprises		32.26	178.96
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		164.40	501.28
	(ii) Other financial liabilities	23	438.91	848.36
	(b) Other current liabilities	24	8,895.50	4,657.87
	(c) Provisions	25	907.45	739.22
	(d) Current Tax Liabilities (Net)	26	105.30	170.02
	<b>Total Current Liabilities</b>		<b>10,543.82</b>	<b>7,095.71</b>
	<b>Total Equity and Liabilities</b>		<b>1,06,123.76</b>	<b>91,611.24</b>

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

**For, C N K & Associates, LLP**

Chartered Accountants

Firm Registration No.:101961W/W-100036

**Alok Shah**

Partner

Membership No.42005

Place : Vadodara

Date : 25<sup>th</sup> May, 2022

For and on behalf of the Board

**For Voltamp Transformers Limited****Kanubhai S. Patel**

Chairman &amp; MD

Place : Vadodara

**Hemant P. Shaparia**

Director

Place : Rajkot

**Shailesh Prajapati**

CFO

Place : Vadodara

Date : 25<sup>th</sup> May, 2022**Kunjalbhai L. Patel**

Vice Chairman &amp; MD

Place : Vadodara

**Rajendra C. Patel**

Director

Place : Ahmedabad

**Sanket Rathod**

Company Secretary

Place : Vadodara

**Taral K. Patel**

Director

Place : Vadodara

**Paulomi J. Lashkari**

Director

Place : Ahmedabad

## STATEMENT OF PROFIT & LOSS for the Year Ended 31<sup>st</sup> March, 2022

ALL AMOUNTS ARE IN LAKHS UNLESS OTHERWISE STATED

Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2022 (₹)	Year ended 31 <sup>st</sup> March, 2021 (₹)
Revenue from operations	27	1,12,720.90	69,230.99
Other income	28	4,295.00	7,246.94
<b>Total Income</b>		<b>1,17,015.90</b>	<b>76,477.93</b>
<b>EXPENSES</b>			
Cost of materials consumed	29	91,012.65	51,747.63
Changes in inventories of finished goods, Stock-in-trade and work-in-process	30	(3,283.46)	1,150.69
Employee benefits expense	31	3,887.58	3,323.18
Finance costs	32	79.68	60.21
Depreciation and amortization expense	4 & 6	794.12	885.15
Other expenses	33	7,204.61	5,264.97
<b>Total expenses</b>		<b>99,695.18</b>	<b>62,431.83</b>
<b>Profit before tax</b>		<b>17,320.72</b>	<b>14,046.10</b>
<b>Tax expense:</b>			
(1) Current tax	34	3,807.68	2,481.74
(2) Deferred tax	34	229.25	252.39
(3) Income tax of earlier years		-	90.29
<b>Profit for the year</b>		<b>13,283.79</b>	<b>11,221.68</b>
<b>Other Comprehensive Income</b>			
<b>(i) Items that will not be reclassified to profit or loss</b>			
- Remeasurement of defined benefit plans		55.24	(140.52)
- Equity instruments through other comprehensive income		3.25	5.01
<b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b>			
- Remeasurement of defined benefit plans		(13.90)	35.37
- Equity instruments through other comprehensive income		----	----
<b>Total other comprehensive Profit/(Loss )</b>		<b>44.59</b>	<b>(100.14)</b>
<b>Total comprehensive income for the period</b>		<b>13,328.38</b>	<b>11,121.54</b>
Earnings per equity share			
(1) Basic	35	131.30	110.92
(2) Diluted	35	131.30	110.92

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

### For, C N K & Associates, LLP

Chartered Accountants  
Firm Registration No.:101961W/W-100036

### Alok Shah

Partner  
Membership No.42005

Place : Vadodara  
Date : 25<sup>th</sup> May, 2022

### For and on behalf of the Board For Voltamp Transformers Limited

#### Kanubhai S. Patel

Chairman & MD  
Place : Vadodara

#### Hemant P. Shaparia

Director  
Place : Rajkot

#### Shailesh Prajapati

CFO  
Place : Vadodara  
Date : 25<sup>th</sup> May, 2022

#### Kunjalbhai L. Patel

Vice Chairman & MD  
Place : Vadodara

#### Rajendra C. Patel

Director  
Place : Ahmedabad

#### Sanket Rathod

Company Secretary  
Place : Vadodara

#### Taral K. Patel

Director  
Place : Vadodara

#### Paulomi J. Lashkari

Director  
Place : Ahmedabad

**STATEMENT OF CHANGES IN EQUITY For the year ended 31<sup>st</sup> March, 2022**

ALL AMOUNTS ARE IN LAKHS UNLESS OTHERWISE STATED

**a. Equity Share Capital:**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Balance at 1st April</b>	1,011.71	1,011.71
Changes in Equity Share Capital due to prior period errors	-	-
<b>Restated balance at the beginning of the current reporting period</b>	<b>1,011.71</b>	<b>1,011.71</b>
Changes in equity share capital during the current year	-	-
<b>Balance at 31st March</b>	<b>1,011.71</b>	<b>1,011.71</b>

**b. Other Equity:**

Particulars	Reserves & Surplus				Equity	Total
	General Reserve	Retained Earnings	Capital Reserve on Amalgamation	Capital redemption Reserve	Instruments through Other Comprehensive Income	
<b>Balance as at 1<sup>st</sup> April, 2021</b>	<b>44,503.90</b>	<b>37,887.42</b>	<b>1.26</b>	<b>0.04</b>	<b>11.16</b>	<b>82,403.77</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated balance as at 1<sup>st</sup> April, 2021</b>	<b>44,503.90</b>	<b>37,887.42</b>	<b>1.26</b>	<b>0.04</b>	<b>11.16</b>	<b>82,403.77</b>
Total Comprehensive Income for the current year	-	13,283.79	-	-	3.25	13,287.04
Dividends	-	(2,529.28)	-	-	-	(2,529.28)
Transfer to retained earnings	-	-	-	-	-	-
Remeasurement of the Net Defined benefit liability/asset, net of tax effect	-	41.34	-	-	-	41.34
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>44,503.90</b>	<b>48,683.27</b>	<b>1.26</b>	<b>0.04</b>	<b>14.41</b>	<b>93,202.88</b>
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>44,503.90</b>	<b>29,298.80</b>	-	-	<b>7.52</b>	<b>73,810.22</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated balance as at 1<sup>st</sup> April, 2020</b>	<b>44,503.90</b>	<b>29,298.80</b>	-	-	<b>7.52</b>	<b>73,810.22</b>
Total Comprehensive Income for the current year	-	11,221.68	-	-	3.64	11,225.31
Interim Dividend(*)	-	(2,529.28)	-	-	-	(2,529.28)
Increase on account of Amalgamation	-	-	1.26	0.04	-	1.30
Transfer to retained earnings	-	1.37	-	-	-	1.37
Remeasurement of the Net Defined benefit liability/asset, net of tax effect	-	(105.16)	-	-	-	(105.16)
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>44,503.90</b>	<b>37,887.42</b>	<b>1.26</b>	<b>0.04</b>	<b>11.16</b>	<b>82,403.78</b>

Note: (\*) The Board of Directors of the Company at the board meeting held on 11<sup>th</sup> May, 2020 has declared, approved and paid interim dividend of ₹ 25 per Equity Share aggregating to ₹ 2529.28 lakhs for the year 2019-20.

**For, C N K & Associates, LLP**

Chartered Accountants

Firm Registration No.:101961W/W-100036

**Alok Shah**

Partner

Membership No.42005

Place : Vadodara

Date : 25<sup>th</sup> May, 2022**For and on behalf of the Board****For Voltamp Transformers Limited****Kanubhai S. Patel**

Chairman &amp; MD

Place : Vadodara

**Hemant P. Shaparia**

Director

Place : Rajkot

**Shailesh Prajapati**

CFO

Place : Vadodara

Date : 25<sup>th</sup> May, 2022**Kunjalbhai L. Patel**

Vice Chairman &amp; MD

Place : Vadodara

**Rajendra C. Patel**

Director

Place : Ahmedabad

**Sanket Rathod**

Company Secretary

Place : Vadodara

**Taral K. Patel**

Director

Place : Vadodara

**Paulomi J. Lashkari**

Director

Place : Ahmedabad

## Statement of Cash Flows for the year ended 31<sup>st</sup> March, 2022

ALL AMOUNTS ARE IN LAKHS UNLESS OTHERWISE STATED

Sr. No.	Particulars	For the year ended 31 <sup>st</sup> March, 2022 (₹)	For the year ended 31 <sup>st</sup> March, 2021 (₹)
<b>A</b>	<b>Cash flow from operating activities</b>		
	Profit before income tax	17,320.72	14,046.10
	<b>Adjustments for :</b>		
	Depreciation and amortisation expense	794.12	885.15
	Interest income	(1,456.35)	(1,198.86)
	Dividend income	(46.34)	(105.48)
	Loss /(Profit) on sale of investment (Net)	(731.59)	(2,572.76)
	Loss /(Profit) on sale of property, plant & equipment (Net)	(12.05)	(10.59)
	Provision for Doubtful Debts	94.98	17.86
	Finance cost	79.68	60.21
	Net (Gain)/loss arising on financial asset designated as at fair value through profit and loss (FVTPL)	(1,924.05)	(3,228.05)
	<b>Net Adjustments</b>	<b>(3,201.60)</b>	<b>(6,152.52)</b>
	<b>Operating profit before working capital changes</b>	<b>14,119.12</b>	<b>7,893.58</b>
	<b>Movements in working capital:</b>		
	(Increase) / Decrease in trade receivables	(2,067.73)	(2,061.60)
	(Increase) / Decrease in inventories	(8,205.77)	(1,176.49)
	(Increase) / Decrease in other financial assets	2,089.82	(636.51)
	(Increase) / Decrease in other non financial assets	877.00	(726.96)
	Increase / (Decrease) in trade Payables	(483.57)	(10.02)
	Increase / (Decrease) in provision	283.31	124.26
	Increase / (Decrease) in other liabilities	3,828.19	911.58
	<b>Cash generated from operations :</b>	<b>10,440.36</b>	<b>4,317.85</b>
	Direct taxes paid (net)	3,882.24	2,356.48
	<b>Net cash from operating activities (A)</b>	<b>6,558.13</b>	<b>1,961.36</b>
<b>B</b>	<b>Cash flows from investing activities</b>		
	Proceeds of sale of property, plant and equipment's	15.31	24.46
	Purchase of property, plant and equipment's (Including capital work in progress and capital advances)	(1,864.08)	(996.45)
	Interest received	1,413.97	967.84
	Dividend received	46.35	105.48
	Increase on account of amalgamation	-	1.30
	(Purchase)/Sale of investments	(4,242.67)	1,972.48
	<b>Net cash (used) in investing activities (B)</b>	<b>(4,631.12)</b>	<b>2,075.11</b>
<b>C</b>	<b>Cash flow from financing activities :</b>		
	Dividend paid and dividend distribution Tax	(2,529.29)	(2,528.51)
	Finance cost	(79.68)	(60.21)
	<b>Net cash (used) in financing activities (C)</b>	<b>(2,608.97)</b>	<b>(2,588.72)</b>
	<b>Net increase in cash and cash equivalents [(A) + (B) + (C)]</b>	<b>(681.96)</b>	<b>1,447.75</b>
	<b>Cash and cash equivalents at the beginning of the year as per note 14</b>	<b>2,011.94</b>	<b>564.19</b>
	<b>Cash and cash equivalents at the end of the year as per note 14</b>	<b>1,329.98</b>	<b>2,011.94</b>

### NOTES:

- (i) The above cash flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standards - 7, "Statement of Cash Flow"
- (ii) Figures in bracket indicate Cash Outflow.

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

#### For, C N K & Associates, LLP

Chartered Accountants

Firm Registration No.:101961W/W-100036

#### Alok Shah

Partner

Membership No.42005

Place : Vadodara

Date : 25<sup>th</sup> May, 2022

#### For and on behalf of the Board For Voltamp Transformers Limited

#### Kanubhai S. Patel

Chairman & MD  
Place : Vadodara

#### Hemant P. Shaparia

Director  
Place : Rajkot

#### Shailesh Prajapati

CFO  
Place : Vadodara  
Date : 25<sup>th</sup> May, 2022

#### Kunjalbhai L. Patel

Vice Chairman & MD  
Place : Vadodara

#### Rajendra C. Patel

Director  
Place : Ahmedabad

#### Sanket Rathod

Company Secretary  
Place : Vadodara

#### Taral K. Patel

Director  
Place : Vadodara

#### Paulomi J. Lashkari

Director  
Place : Ahmedabad

## 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 31<sup>st</sup> March, 2022 were authorized for issue in accordance with a resolution of the Board of Directors on 25<sup>th</sup> May, 2022.

#### 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 EXPLANATORY 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.

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.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 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.

Recoverable amount is the higher of fair value less 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.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 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, considering 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.

- (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.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- (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.

### 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.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 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.

##### 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.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 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 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.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 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.

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.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Where there are 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.

### 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.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 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.

#### 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 underlying 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

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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.

**(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.

### NOTE: 3

#### Recent Accounting Pronouncements:

The following standards / amendments to standards have been issued and will be effective from 1st April 2022. The Company is evaluating the requirements of these standards, improvements and amendments and has not yet determined the impact on the financial statements.

- Indian Accounting Standard (Ind AS) 103 – Business Combinations – Qualifications prescribed for recognition of the identifiable assets acquired and liabilities assumed, as part of applying the acquisition method – should meet the definition of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the ICAI at the acquisition date.

Modification to the exceptions to recognition principle relating to contingent liabilities and contingent assets acquired in a business combination at the acquisition date.

- Indian Accounting Standard (Ind AS) 109 – Financial Instruments – Modification in accounting treatment of certain costs incurred on derecognition of financial liabilities.
- Indian Accounting Standard (Ind AS) 16 - Property, Plant and Equipment – Modification in treatment of excess of net sale proceeds of items produced over the cost of testing as part of cost of an item of property, plant, and equipment.
- Indian Accounting Standard (Ind AS) 37 - Provisions, Contingent Liabilities and Contingent Assets – Modifications in application of recognition and measurement principles relating to onerous contracts.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

## 4 Property, Plant and Equipments

Particulars	Land - Freehold	Buildings	Plant and Equipments	Electrical Installations	Furniture and Fixtures	Vehicles	Office Equipment's	Computers	Right of use asset office building*	Total
<b>Gross carrying amount :</b>										
Gross carrying amount As at 01-04-2021	358.24	3,330.68	3,598.70	261.60	161.10	262.31	135.23	56.66	56.95	8,221.47
Additions	----	668.81	833.67	63.73	11.53	37.72	17.94	24.75	----	1,658.15
Disposal	----	----	18.57	----	----	40.78	0.17	30.90	----	90.42
Gross carrying amount As at 31-03-2022	358.24	3,999.49	4,413.80	325.33	172.63	259.25	153.00	50.51	56.95	9,789.20
<b>Accumulated Depreciation:</b>										
<b>Opening accumulated depreciation</b>										
As at 01-04-2021	----	1,009.66	1,574.12	97.75	102.85	73.31	80.04	44.77	12.59	2,995.09
Charge for the year	----	224.01	385.03	44.42	12.26	63.98	27.59	10.93	2.16	770.38
Disposal	----	----	17.65	----	----	38.45	0.15	30.14	----	86.39
<b>Closing accumulated depreciation</b>										
As at 31-03-2022	----	1,233.67	1,941.50	142.17	115.11	98.84	107.48	25.56	14.75	3,679.08
<b>Net carrying amount:</b>										
As at 31-03-2022	358.24	2,765.82	2,472.30	183.16	57.52	160.41	45.52	24.95	42.20	6,110.12

\* Refer note no. 36(i)(b)

Particulars	Land - Freehold	Buildings	Plant and Equipments	Electrical Installations	Furniture and Fixtures	Vehicles	Office Equipment's	Computers	Right of use office building*	Total
<b>Gross carrying amount:</b>										
Gross carrying amount As at 01-04-2020	358.24	3,223.26	3,472.68	181.10	154.87	324.62	136.15	53.53	56.95	7,961.40
Additions	----	107.41	141.05	80.50	6.24	23.48	25.80	5.11	----	389.58
Disposal	----	----	15.04	----	----	85.78	26.72	1.98	----	129.52
Gross carrying amount As at 31-03-2021	358.24	3,330.68	3,598.70	261.60	161.10	262.31	135.23	56.66	56.95	8,221.46
<b>Accumulated Depreciation:</b>										
<b>Opening accumulated depreciation</b>										
As at 01-04-2020	----	777.45	1,176.60	60.34	87.02	65.55	74.77	37.81	10.32	2,289.86
Charge for the year	----	232.21	411.80	37.41	15.83	81.81	30.65	8.89	2.27	820.86
Disposal	----	----	14.28	----	----	74.05	25.38	1.93	----	115.65
<b>Closing accumulated depreciation</b>										
As at 31-03-2021	----	1,009.66	1,574.12	97.75	102.85	73.31	80.04	44.77	12.59	2,995.08
<b>Net carrying amount:</b>										
As at 31-03-2021	358.24	2,321.01	2,024.58	163.85	58.25	189.01	55.19	11.88	44.36	5,226.38

\* Refer note no. 36(i)(b)

## 5 Capital Work-in-Progress

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Capital Work in Progress	777.98	828.65

CWIP / Intangible Assets under development	Amount in CWIP / Intangible Assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Year	
<b>Capital Work-In-Progress / Intangible assets under development Ageing</b>					
<b>As at 31 March 2022</b>					
Projects in progress	777.98	----	----	----	777.98
Projects temporarily suspended	----	----	----	----	----
<b>As at 31 March 2021</b>					
Projects in progress	767.82	60.83	----	----	828.65
Projects temporarily suspended	----	----	----	----	----

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

### 6 Intangible assets

Particulars	Computer Software	Technical Know How	Total
<b>Gross carrying amount:</b>			
<b>Gross carrying amount As at 01-04-2021</b>	<b>372.23</b>	<b>71.21</b>	<b>443.44</b>
Additions	21.85	----	<b>21.85</b>
Disposal	3.00	----	<b>3.00</b>
<b>Gross carrying amount As at 31-03-2022</b>	<b>391.08</b>	<b>71.21</b>	<b>462.29</b>
<b>Accumulated Amortization:</b>			
<b>Closing accumulated amortization As at 01-04-2021</b>	<b>330.53</b>	<b>71.21</b>	<b>401.74</b>
Depreciation charged during the year	22.82	----	<b>22.82</b>
Disposal	2.85	----	<b>2.85</b>
<b>Closing accumulated amortization As at 31-03-2022</b>	<b>350.50</b>	<b>71.21</b>	<b>421.71</b>
<b>Net carrying amount:</b>			
<b>As at 31-03-2022</b>	<b>40.58</b>	----	<b>40.58</b>
<b>Gross carrying amount:</b>			
<b>Gross carrying amount As at 01-04-2020</b>	<b>366.65</b>	<b>71.21</b>	<b>437.86</b>
Addition	5.58	----	<b>5.58</b>
<b>Gross carrying amount As at 31-03-2021</b>	<b>372.23</b>	<b>71.21</b>	<b>443.44</b>
<b>Accumulated Amortization:</b>			
<b>Closing accumulated amortization As at 01-04-2020</b>	<b>277.45</b>	<b>60.00</b>	<b>337.45</b>
Depreciation charged during the year	53.08	11.21	<b>64.29</b>
<b>Closing accumulated amortization As at 31-03-2021</b>	<b>330.53</b>	<b>71.21</b>	<b>401.74</b>
<b>Net carrying amount:</b>			
<b>As at 31-03-2021</b>	<b>41.70</b>	----	<b>41.70</b>

### 7. Investments

Particulars	No. of Unit	As at 31 <sup>st</sup> March, 2022	No. of Unit	As at 31 <sup>st</sup> March, 2021
<b>Investments at fair value through other comprehensive income</b>				
<b>Investment in Equity Instruments (Quoted)</b>				
Siemens Ltd.	620	14.69	620	11.43
		<b>14.69</b>		<b>11.43</b>
<b>Investments at Amortised cost</b>				
<b>Investments in Preference Shares (Quoted)</b>		----		705.32
<b>Investments in Bonds (Quoted)</b>		14,825.08		15,002.52
		<b>14,825.08</b>		<b>15,707.84</b>
<b>Investments at fair value through profit or loss</b>				
<b>Investments in Mutual Funds (Quoted)</b>				
- Debt Funds		28,552.64		27,093.99
- Equity Funds		3,611.50		2,023.47
<b>Investment in Portfolio Management Service and AIF</b>		958.18		2,046.87
		<b>33,122.32</b>		<b>31,164.33</b>
<b>Total</b>		<b>47,962.09</b>		<b>46,883.60</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>8 Other financial assets</b>		
Security deposit	53.18	53.83
Bank deposit with original maturity of more than 12 months	236.30	1,817.48
<b>Total</b>	<b>289.48</b>	<b>1,871.31</b>
<b>9 Deferred Tax Liabilities (Net)</b>		
<b>Deferred tax assets</b>		
<b>The balance comprises temporary differences attributable to:</b>		
Provision for employee benefit	343.88	275.15
Property, plant & equipments	29.15	39.70
Remeasurements of the defined benefit plans	----	35.37
Other	----	6.29
<b>Total DTA</b>	<b>373.03</b>	<b>356.51</b>
<b>Deferred Tax Liability</b>		
<b>The balance comprises temporary differences attributable to:</b>		
Financial asset at fair value through profit and loss	564.60	318.82
Remeasurements of the defined benefit plans	13.90	----
<b>Total DTL</b>	<b>578.50</b>	<b>318.82</b>
<b>Net Deferred Tax Asset/(Liability)</b>	<b>(205.47)</b>	<b>37.69</b>
<b>10 Other non - current assets</b>		
Capital advance	270.27	35.53
Advance payment of Income Tax (Net of Provision)	58.29	48.45
Balances with Government authorities	35.49	35.49
<b>Total</b>	<b>364.05</b>	<b>119.48</b>
<b>11 Inventories</b>		
Inventories (lower of cost and net realised value)		
Raw material	8,615.91	3,991.52
Components	1,054.48	767.38
Work-in-process.	11,029.23	7,745.77
Stores and spares	237.61	226.79
<b>Total</b>	<b>20,937.23</b>	<b>12,731.46</b>
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.		
<b>12 Investments</b>		
Investments at fair value through profit or loss		
Investments in Mutual Funds (Quoted)		
- Debt Funds	4,538.03	1,271.71
- Equity Funds	173.18	60.76
Investments in Bonds (Quoted)	3,454.06	1,009.73
<b>Total</b>	<b>8,165.27</b>	<b>2,342.20</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>13 Trade Receivables</b>		
Trade Receivables considered good - Secured	----	----
Trade Receivables considered good - Unsecured	18,615.00	17,104.40
	<b>18,615.00</b>	<b>17,104.40</b>
Trade Receivable which have significant increase in credit risk	526.27	----
Trade Receivables credit impaired	----	----
	<b>19,141.27</b>	<b>17,104.40</b>
Less : Expected Credit Loss Allowance	(96.40)	(32.29)
<b>Total</b>	<b>19,044.87</b>	<b>17,072.12</b>

Particulars	Outstanding for following periods from the date of Invoice					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31<sup>st</sup> March, 2022</b>						
(i) Undisputed Trade receivables – considered good	18,511.37	85.17	280.02	----	----	18,876.56
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	----	----	----	9.93	254.78	264.71
(iii) Undisputed Trade Receivables – credit impaired	----	----	----	----	----	----
(iv) Disputed Trade Receivables– considered good	----	----	----	----	----	----
(v) Disputed Trade Receivables – which have significant increase in credit risk	----	----	----	----	----	----
(vi) Disputed Trade Receivables – credit impaired	----	----	----	----	----	----
Less : Expected Credit Loss Allowance	----	----	----	----	----	(96.40)
<b>Total</b>						<b>19,044.87</b>
<b>As at 31<sup>st</sup> March, 2021</b>						
(i) Undisputed Trade receivables – considered good	16,245.45	130.29	118.18	605.55	4.94	17,104.40
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	----	----	----	----	----	----
(iii) Undisputed Trade Receivables – credit impaired	----	----	----	----	----	----
(iv) Disputed Trade Receivables– considered good	----	----	----	----	----	----
(v) Disputed Trade Receivables – which have significant increase in credit risk	----	----	----	----	----	----
(vi) Disputed Trade Receivables – credit impaired	----	----	----	----	----	----
Less : Expected Credit Loss Allowance	----	----	----	----	----	(32.29)
						<b>17,072.12</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>14 Cash and cash equivalents</b>		
<b>Balances with banks</b>		
Cash credit account (Refer below notes)	1,278.78	1,933.22
Current accounts	26.83	53.65
Cash on hand	24.37	25.07
<b>Total</b>	<b>1,329.98</b>	<b>2,011.94</b>

**Details of Security**

Note 1: The working capital facilities are secured against first charge by way of hypothecation of all of the current assets of the company, both current and future.

Note 2: Quarterly return or statements of current assets filed by the company with banks are in agreement with books of accounts.

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>15 Bank balances other than above</b>		
<b>In other deposit accounts</b>		
Term deposits with maturity period more 3 months but less than 12 Months	3.58	501.42
Margin money deposit	----	20.60
Unpaid dividend account	13.05	13.06
<b>Total</b>	<b>16.63</b>	<b>535.08</b>
<b>16 Loans</b>		
<b>Loans Receivables considered good - Unsecured</b>		
Loans and advances to employees and others	24.97	17.36
<b>Total</b>	<b>24.97</b>	<b>17.36</b>
<b>17 Other Financial Assets</b>		
Interest income receivable on bonds	576.74	534.35
Security deposit and other deposit	7.94	5.09
<b>Total</b>	<b>584.68</b>	<b>539.44</b>
<b>18 Other Current Assets</b>		
<b>Unsecured, considered good</b>		
Advances to suppliers	336.45	1,229.98
Prepaid Expenses	43.27	53.70
Balances with Government authorities	81.44	58.60
Export incentives receivable	14.68	10.55
<b>Total</b>	<b>475.83</b>	<b>1,352.83</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>19 Share Capital</b>		
<b>a) Authorised</b>		
12,04,00,000 - Equity shares of ₹ 10/- each*	1,204.00	1,204.00
	<b>1,204.00</b>	<b>1,204.00</b>
<b>b) Shares issued, subscribed and fully paid</b>		
1,01,17,120 - Equity shares of ₹ 10/- each	1,011.71	1,011.71
	<b>1,011.71</b>	<b>1,011.71</b>
<b>c) Shares fully paid</b>		
1,01,17,120 - Equity shares of ₹ 10/- each	1,011.71	1,011.71
	<b>1,011.71</b>	<b>1,011.71</b>

\* Increase in authorised share capital on account of amalgamation (Refer note no.49).

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

Particulars	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	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	<b>1,01,17,120</b>	<b>1,011.71</b>	<b>1,01,17,120</b>	<b>1,011.71</b>

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

The Company has only one class of equity shares having face 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) Shareholding of promoters;**

Promoter Name	As at 31 <sup>st</sup> March, 2022			As at 31 <sup>st</sup> March, 2021		
	No of shares	% of total shares	% change during the year	No of shares	% of total shares	% change during the year
Kunjai Lalitkumar Patel	50,37,922	49.80	42.74	7,14,087	7.06	---
Kunjai Investments Private Limited (Refer note below)	---	---	(42.94)	43,44,474	42.94	---
Taral Kunjal Patel	20,640	0.20	0.20	---	---	---

Note:

Shareholding of Kunjal Lalitbhai Patel and Kunjal Investments Private Limited has changed on account of Scheme of Amalgamation (Refer note no.49)

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

Shareholder	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity shares with voting rights				
Kunjai Investments Private Limited	---	---	43,44,474	42.94
Kunjai Lalitkumar Patel	50,37,922	49.80	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 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>20 Other Equity</b>		
General Reserve	44,503.90	44,503.90
Equity Instruments through Other Comprehensive Income	14.41	11.16
Retained Earnings	48,683.27	37,887.42
Capital Reserve on Amalgamation	1.26	1.26
Capital redemption Reserve	0.04	0.04
<b>Total</b>	<b>93,202.88</b>	<b>82,403.78</b>
<b>General Reserve (transfer of a portion of the net profit)</b>		
Balance as per the last financial statements	44,503.90	44,503.90
<b>Total</b>	<b>44,503.90</b>	<b>44,503.90</b>
<b>Capital Reserve on Amalgamation (Due to Amalgamation)</b>		
Balance as per the last financial statements	1.26	----
Add: Current year transfer (refer note no. 49)	----	1.26
<b>Total</b>	<b>1.26</b>	<b>1.26</b>
<b>Capital Redemption Reserve (Due to amalgamation)</b>		
Balance as per the last financial statements	0.04	----
Add: Current year transfer (refer note no. 49)	----	0.04
<b>Total</b>	<b>0.04</b>	<b>0.04</b>
<b>Equity Instruments through Other Comprehensive Income (Refer note below)</b>		
As per last Balance Sheet	11.16	7.52
Add/Less : Additions/(Deletions) during the year	3.25	5.01
Transfer of gain/(loss) on FVOCI equity investments to retained earnings	----	(1.37)
<b>Total</b>	<b>14.41</b>	<b>11.16</b>
<b>Retained Earnings</b>		
Balance as per the last financial statements	37,887.42	29,298.81
Add : Profit for the year as per Statement of Profit and Loss	13,283.79	11,221.68
Add : Transfer of gain/(loss) on FVOCI equity investments	----	1.37
Add/(Less): Remeasurement of the Net Defined benefit liability/asset, (net of tax effect)	41.34	(105.16)
Less: Appropriations of Interim Dividend for F.Y. 2019-2020 (Refer note no. 2)	----	(2,529.28)
Less: Appropriations of Final Dividend for F.Y. 2020-2021	(2,529.28)	----
<b>Total</b>	<b>48,683.27</b>	<b>37,887.42</b>

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.

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>21 Provisions</b>		
<b>Provision for employee benefits</b>		
Provision for Gratuity (refer note 37)	669.51	678.24
Provision for compensated absences	490.37	421.80
<b>Total</b>	<b>1,159.88</b>	<b>1,100.04</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>22 Trade Payables</b>		
Total outstanding due of micro enterprises and small enterprise (refer note 44)	32.26	178.96
Total Outstanding due of creditors other than micro enterprise and small enterprise	164.40	501.28
<b>Total</b>	<b>196.66</b>	<b>680.24</b>

Particulars	Outstanding for following periods from date of Invoice				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Year	
<b>As at 31 March 2022</b>					
(i) Micro, Small and Medium Enterprise	32.26	---	---	---	32.26
(ii) Others	164.40	---	---	---	164.40
(iii) Disputed dues – Micro, Small and Medium Enterprise	---	---	---	---	---
(iv) Disputed dues - Others	---	---	---	---	---
<b>Total</b>	<b>196.66</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>196.66</b>
<b>As at 31 March, 2021</b>					
(i) Micro, Small and Medium Enterprise	178.96	---	---	---	178.96
(ii) Others	501.28	---	---	---	501.28
(iii) Disputed dues – Micro, Small and Medium Enterprise	---	---	---	---	---
(iv) Disputed dues - Others	---	---	---	---	---
<b>Total</b>	<b>680.24</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>680.24</b>

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>23 Other Financial Liabilities</b>		
Unpaid dividends	13.05	13.06
Trade/Security Deposit	68.37	86.60
Payable towards other expenses	357.49	748.70
<b>Total</b>	<b>438.91</b>	<b>848.36</b>

<b>24 Other Current Liabilities</b>		
Advances from Customers	6,770.67	3,466.06
Statutory remittances	1,344.81	767.92
Salary and wages payable	780.02	423.89
<b>Total</b>	<b>8,895.50</b>	<b>4,657.87</b>

<b>25 Provisions</b>		
<b>Provision for employee benefits</b>		
Gratuity Payable (refer note 37)	90.84	77.40
Provision for compensated absences	60.27	56.23
Bonus	240.40	216.70
<b>Provision - Others</b>		
Warranties (refer note no. 41)	479.02	364.87
Provision for unspent CSR (refer note no. 39)	36.92	24.02
<b>Total</b>	<b>907.45</b>	<b>739.22</b>

<b>26 Current Tax Liabilities</b>		
Provision for Tax (Net of Advance Tax)	105.30	170.02
<b>Total</b>	<b>105.30</b>	<b>170.02</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
<b>27 Revenue from operations</b>		
Sale of Products (Refer note no. 42)	1,09,919.44	67,296.74
Sale of Services (Refer note no. 42)	2,257.81	1,554.43
	<b>1,12,177.25</b>	<b>68,851.17</b>
<b>Other Operating Revenue</b>		
Recoveries towards incidental services	543.65	379.82
	<b>543.65</b>	<b>379.82</b>
<b>Total</b>	<b>1,12,720.90</b>	<b>69,230.99</b>
<b>28 Other Income</b>		
Interest Income (refer note 28 (i))	1,456.35	1,198.86
Dividend Income	46.34	105.48
<b>Other Non operating income</b> (net of expenses directly attributable to such income)		
Doubtful debts and written back, net	48.08	74.98
Other Miscellaneous Income	51.14	42.71
Export Incentives	26.11	16.20
Net gain on foreign currency transaction and translation	11.34	7.90
<b>Other gains and losses</b>		
Net Gain/(loss) arising on financial asset designated as at FVTPL	1,924.05	3,228.05
Net gain/loss on sale of investments	731.59	2,572.76
<b>Total</b>	<b>4,295.00</b>	<b>7,246.94</b>
<b>Note No. 28 (i) Interest income</b>		
<b>Interest income comprises of :</b>		
Interest on banks deposits and others	83.40	158.65
Interest on bonds	1,228.96	1,013.00
Other Interest income	143.99	27.21
<b>Total</b>	<b>1,456.35</b>	<b>1,198.86</b>
<b>29 Cost of Raw Material and Components</b>		
Cost of Raw Material Consumed	65,249.81	36,647.15
Consumption of components and stores	25,762.84	15,100.48
<b>Total</b>	<b>91,012.65</b>	<b>51,747.63</b>
<b>30 Changes in inventories of finished goods, work-in-process and stock-in-trade</b>		
<b>Inventories at the end of the year:</b>		
Work In Process	11,029.23	7,745.77
	<b>11,029.23</b>	<b>7,745.77</b>
<b>Inventories at the beginning of the year:</b>		
Work In Process	7,745.77	8,896.46
	<b>7,745.77</b>	<b>8,896.46</b>
<b>Net (increase) / decrease</b>	<b>(3,283.46)</b>	<b>1,150.69</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
<b>31 Employee benefits expense</b>		
Salaries, Wages and Bonus	3,530.03	3,009.57
Contributions to Provident Fund and Other Funds (refer note 37)	337.12	303.18
Staff Welfare	20.43	10.43
<b>Total</b>	<b>3,887.58</b>	<b>3,323.18</b>
<b>32 Finance costs</b>		
Bank interest and charges	79.68	60.21
<b>Total</b>	<b>79.68</b>	<b>60.21</b>
<b>33 Other Expenses</b>		
Power and Fuel	481.35	314.20
Labour Charges	1,713.42	1,424.37
Repairs and maintenance :		
- on building	42.32	44.40
- on machinery	241.75	133.39
- others	111.64	59.62
Rent (Refer note no. 36(i)(a))	38.43	40.84
Consultancy and Testing charges	656.64	499.94
Auditor's Remuneration (Refer below note)	11.70	11.70
Travelling and conveyance	369.75	264.66
Insurance	110.33	81.10
Corporate social responsibility expenditures (Refer note 39)	198.75	195.93
Selling and distribution expenditure	115.61	86.13
Warranty Expenses (Refer note no. 41)	269.80	164.59
Freight outward	1,817.72	1,371.20
Sales Commission	120.74	78.31
Bad debts/advances written off	291.34	5.43
Provision for doubtful debts/advances	94.98	17.86
Security Expenses	75.16	71.17
Miscellaneous expenses	443.18	400.13
<b>Total</b>	<b>7,204.61</b>	<b>5,264.97</b>
<b>Notes: Auditor's Remuneration</b>		
<b>Payments to the auditors comprises :</b>		
Statutory audit	11.50	11.50
Reimbursement of Expenses	0.20	0.20
<b>Total</b>	<b>11.70</b>	<b>11.70</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
<b>34 TAX EXPENSE</b>		
<b>(a) Income tax expense</b>		
Current tax		
Current tax on profits for the year	3,807.68	2,481.74
Income Tax of earlier years	----	90.29
	3,807.68	2,572.03
<i>Deferred tax</i>	229.25	252.39
	<b>229.25</b>	<b>252.39</b>
	<b>4,036.93</b>	<b>2,824.42</b>
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate</b>		
Profit before income tax expense	17,320.72	14,046.10
<b>Tax at the Indian tax rate of 25.17% (2020-21 – 25.17%)</b>	<b>4,359.63</b>	<b>3,535.40</b>
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Income considered separately	(270.07)	(626.94)
Tax-exempt income (Tax Free Bond Interest)	(202.03)	(206.67)
Non-deductible tax expenses (Disallowances u/s 14A, 43B, Capital Expenditure etc)	89.44	6.37
Depreciation	2.91	24.91
Others	57.06	91.36
<b>Income Tax Expense</b>	<b>4,036.92</b>	<b>2,824.42</b>

**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 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
<b>Profit attributable to Equity share holders of Company</b>		
Profit after tax available for equity share shareholders	13,283.79	11,221.68
Weighted Average number of equity shares	1,01,17,120	1,01,17,120
<b>Basic and Diluted earnings per share</b>		
(Face value per share ₹ 10/- each)	131.30	110.92

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 36 Leases :

#### (i) As Lessee

##### (a) 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 ₹ 38.43 lakhs (P.Y. ₹ 40.84 lakhs).

##### (b) Finance Leases

The Right -of - use(ROU) asset has been created on account of prepayments made by the company towards lease hold office building.

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
Depreciation charges for Right - of use asset	2.16	2.27

#### (ii) As Lessor

Company has not given any asset on lease.

### 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 covered newly joined employees on or after October 1, 2009.

The Company recognised ₹ 221.56 lakhs (31.03.2021: ₹ 202.30 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, 2022.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	Gratuity - Funded as on	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>a) Reconciliation in present value of obligations (PVO) - defined benefit obligation:</b>		
Present value of benefit obligation at the beginning of the period	1,630.34	1,408.74
Interest cost	103.20	96.35
Current service cost	61.11	60.05
Actuarial (gains)/losses due to change in demographic assumptions, change in financial assumptions & change in experience	20.73	86.19
Benefits paid	(11.94)	(20.99)
<b>Present value of benefit obligation at the end of the period</b>	<b>1,803.46</b>	<b>1,630.34</b>
<b>b) Change in fair value of plan assets:</b>		
Fair value of plan assets at the beginning of the year	874.69	868.88
Expected return on plan assets	55.37	59.43
Return on plan assets, excluding Interest income	75.98	(54.33)
Contributions by the employer	49.00	21.35
Benefits paid	(11.94)	(20.65)
<b>Fair value of plan assets at the end of the year</b>	<b>1,043.12</b>	<b>874.69</b>
<b>c) Reconciliation of PVO and fair value of plan assets:</b>		
Present value of benefit obligation at the end of the period	1,803.46	1,630.34
Fair value of planned assets at the end of year	1,043.12	874.69
Funded status	(732.94)	(755.64)
<b>Net asset/(liability) recognised in the balance sheet</b>	<b>(760.34)</b>	<b>(755.65)</b>
<b>d) Net cost for the year ended:</b>		
Interest cost	103.20	96.35
Current service cost	61.11	60.05
Expected return on plan assets	(55.37)	(59.43)
Actuarial (gains)/ losses	(55.24)	140.52
<b>Net cost</b>	<b>53.70</b>	<b>237.50</b>
<b>e) Amount recognised in other comprehensive income</b>		
<b>Remeasurements :</b>		
Actuarial (gains)/ losses	(55.24)	140.52
<b>f) Actual return on the plan assets:</b>	55.37	59.43
<b>g) Major category of assets as at:</b>		
Insurer managed funds	1,043.12	874.69
<b>h) Assumption used in accounting for the gratuity plan:</b>		
Discount rate (%)	6.96%	6.33%
Rate of return on plan assets (for funded scheme)	6.96%	6.33%
Expected retirement age of employees (years)	60 & 70	60 & 70
Salary escalation rate (%)	7.50%	7.50%
Rate of leaving service	8.00%	8.00%

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.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### l) 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	31 <sup>st</sup> March , 2022	31 <sup>st</sup> March , 2021
Projected Benefit Obligation on Current Assumptions	1,803.46	1,630.35
Delta Effect of +1 % Change in Rate of Discounting	(95.61)	(92.26)
Delta Effect of -1 % Change in Rate of Discounting	106.95	103.49
Delta Effect of +1 % Change in Rate of Salary Increase	105.34	101.30
Delta Effect of -1 % Change in Rate of Salary Increase	(96.00)	(91.50)
Delta Effect of +1 % Change in Rate of Employee Turnover	(3.76)	(7.23)
Delta Effect of -1 % Change in Rate of Employee Turnover	4.12	7.98

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	31 <sup>st</sup> March , 2022	31 <sup>st</sup> March , 2021
<b>Total employee benefit liabilities</b>		
Non-current	669.51	678.24
Current	90.84	77.40
<b>Total</b>	<b>760.35</b>	<b>755.64</b>

### [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)

Particulars	Leave encashment	
	31 <sup>st</sup> March , 2022	31 <sup>st</sup> March , 2021
Obligation at the year beginning	478.03	385.42
Actuarial (gains) / losses on obligation	72.61	92.61
<b>Obligation at the year end</b>	<b>550.64</b>	<b>478.03</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 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	Kunjai Investments Private Limited	Entity having significant influence over the Company (upto 01.06.2020 and subsequently amalgamated with the Voltamp Transformers Limited)
2	Shri 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 (upto 31.03.2022)
8	Shri Ashish Surendrabhai Patel	Independent Director (upto 22.02.2022)
9	Shri Sanket K. Rathod	Company Secretary & Compliance officer
10	Shri Shailesh P. Prajapati	Chief Financial Officer (w.e.f. 25.05.2022)
11	Smt. Urmilaben L. Patel	Relative of Key Managerial Person
12	Smt. Taral K. Patel	Non -Executive Director Relative of Key Managerial Person
13	Smt. Vanlila K Patel	Relative of Key Managerial Person
14	Haribhai Kevalbhai Patel Public Charitable Trust	Key Managerial Person is a Trustee
15	Samvedana Foundation	Key Managerial Person is a Director
16	United Way of Baroda	Key Managerial Person is a Chairman
17	Baroda Citizen council	Relative of Key Managerial Person is Vice Chairman

#### (B) Particulars of Transactions with Related Parties

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2021
Short term employee benefits	906.75	876.97
Post-employment benefits - defined contribution plan	118.06	108.70
Post-employment benefits - defined benefit plan	113.81	226.82
Other long term benefits	31.20	111.99
Dividend Paid	1,264.64	1,264.64
Director's sitting fees	7.10	1.60
<b>Total Compensation paid to Key Managerial Personnel</b>	<b>2,441.56</b>	<b>2,590.71</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)			
Name of Related Party	Nature of transaction	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2021
Shri Kunjalbhai L. Patel	Managerial Remuneration	454.79	436.47
Shri Kanubhai S. Patel	Managerial Remuneration	511.12	493.98
Shri Vallabh N. Madhani	Remuneration	48.12	42.45
Shri Sanket K. Rathod	Remuneration	10.78	12.76
Kunjal Investments Pvt Ltd	Dividend	----	1,086.12
Shri Kunjalbhai L. Patel	Dividend	1,259.48	178.52
Smt. Taral K. Patel	Dividend	5.16	----
United Way of Baroda	CSR	23.95	----
Baroda Citizen council	CSR	7.22	----
<b>Total</b>		<b>2,320.62</b>	<b>2,250.30</b>

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

(₹ in Lakhs)			
Particulars	Amounts Owed to related parties as at		
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021	
Shri Kunjalbhai L. Patel	163.43	132.90	
Shri Kanubhai S. Patel	162.82	132.90	
<b>Total</b>	<b>326.25</b>	<b>265.80</b>	

### 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 during the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

- Gross Amount to be spent by the Company during the year is ₹ 198.75 Lakhs
- 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	164.16	34.59	198.75
<b>Total</b>	<b>164.16</b>	<b>34.59</b>	<b>198.75</b>
Particular	31.03.2022		
Shortfall at the end of the year *	34.59		
Total of previous years shortfall	178.25		

Note:

\* The Company has made provision for ₹ 34.59 lakhs for shortfall in CSR expenditure for Financial Year 2021-2022. This amount is related to ongoing project and hence is transferred to separate unspent CSR bank account before 30<sup>th</sup> April, 2022.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Nature of CSR activities

Health & Education promotion, Eradicating hunger and malnutrition, Promotion of sports, Women Empowerment etc.

### Details of related party transactions

Name and relation of Related party	Nature of Transactions	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
United Way of Baroda	CSR	23.95	----
Baroda Citizen council	CSR	7.22	----

### Movements in the provision of CSR during the year

Particular	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Balance at the beginning of the year	24.02	----
Provision made during the year	34.59	24.02
Provision utilised during the year	(21.69)	----
Balance at the end of the year	<b>36.92</b>	<b>24.02</b>

## 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.

## 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:

Particulars	Warranty	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Balance as at 1 <sup>st</sup> April	364.87	432.95
Provision:		
Created	269.80	182.89
Utilised	(155.65)	(250.97)
<b>Balance as at 31<sup>st</sup> March</b>	<b>479.02</b>	<b>364.87</b>

(₹ in Lakhs)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 42 Disclosure under Ind AS 115 Revenue from contracts with customers

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

#### Disaggregation of revenue from contracts with customers

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
<b>Revenue from contracts with customers</b>		
Revenue from sale of products	1,09,919.44	67,296.74
Revenue from services income	2,257.81	1,554.43
<b>Revenue from contracts with customers</b>		
<b>Revenue from sale of products</b>		
India	1,07,624.39	65,354.92
Export (including deemed export)	2,295.05	1,941.82
<b>Total</b>	<b>1,09,919.44</b>	<b>67,296.74</b>
<b>Revenue from services income</b>		
India	2,252.79	1,554.07
Export	5.02	0.36
<b>Total</b>	<b>2,257.81</b>	<b>1,554.43</b>

### 43 Contingent Liabilities and Capital Commitments

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>a) Contingent Liabilities :</b>		
Bank Guarantee	27,424.58	21,636.70
<b>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 :</b>		
Central Excise Duty	327.30	593.97
Income Tax	1,056.68	1,079.02
	<b>1,383.98</b>	<b>1,672.99</b>
<b>c) Capital Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account & not provided for Net of Advances.	266.73	532.59

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 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.

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	32.26	178.96
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 ₹ 13.06 Lakhs (PY ₹ 29.30 Lakhs )

Note 2: Out of above, amount pertaining to Medium Enterprises is ₹ 0.53 Lakhs (PY ₹ 8.97 Lakhs)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 45 Accounting Ratios

Sr No.	Particulars	Numerator	Denominator	FY 2021-22	FY 2020-21	% Variance	Reasons for variance (if +/- 25%)
1	Current Ratio (in times)	Current Asset	Current Liabilities	4.80	5.16	-7.00%	NA
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	NA	NA	NA	NA
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	NA	NA	NA	NA
4	Return on Equity Ratio (in %)	Net Profits after taxes	Average Shareholder's Equity	14.96%	14.18%	5.45%	NA
5	Inventory Turnover Ratio (in times)	Cost of Goods Sold	Average Value of Inventory	5.21	4.36	19.63%	NA
6	Trade Receivables turnover ratio (in times)	Revenue From Operations	Average Trade Receivable	6.24	4.31	44.71%	Better receivable management with curtailing credit period and order booking with assured payment terms.
7	Trade Payable turnover ratio (in times)	Cost of sales+ Other expense	Average Trade Payable	216.52	84.88	155.09%	Fast clearances of vendor dues by offering immediate payment against supplies under cash discount scheme.
8	Net capital turnover ratio (in times)	Revenue From Operations	Working Capital	2.82	2.35	20.00%	NA
9	Net profit ratio (in %)	Net profit After Tax	Total Income	11.35%	14.67%	-22.63%	NA
10	Return on Capital employed (in %)	EBIT	Capital Employed	18.44%	16.92%	8.97%	NA
11	Return on Investment (in %)	Income from Investment	Average Investment	7.46%	14.63%	-48.98%	Due to shifting of Investment portfolio from equity/PMS investment to Investment in bonds and due to decline in fair value gain as compared to Previous Year.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 46 FAIR VALUE MEASUREMENTS

#### Financial instruments by category

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022			As at 31 <sup>st</sup> March, 2021		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
<b>Financial Assets</b>						
Investments						
- Equity Instruments	----	14.69	----	----	11.43	----
- Preference Shares	----	----	----	----	----	705.32
- Debentures	----	----	----	----	----	----
- Mutual Funds	36,875.35	----	----	30,449.93	----	----
- Portfolio Management Service	958.18	----	----	2,046.87	----	----
- Bonds	----	----	18,279.14	----	----	16,012.25
Trade Receivables	----	----	19,044.87	----	----	17,072.12
Cash and Cash Equivalents	----	----	1,329.98	----	----	2,011.94
Bank Balances other than above	----	----	16.63	----	----	535.08
Bank deposit with original maturity of more than 12 months	----	----	236.30	----	----	1,817.48
Loan to Employees	----	----	24.97	----	----	17.36
Security Deposit	----	----	53.18	----	----	53.83
Other Financial Assets	----	----	584.68	----	----	539.44
<b>Total Financial Assets</b>	<b>37,833.53</b>	<b>14.69</b>	<b>39,569.75</b>	<b>32,496.80</b>	<b>11.43</b>	<b>38,764.81</b>
<b>Financial Liabilities</b>						
Trade payables	----	----	196.66	----	----	680.24
Other financial liabilities	----	----	438.91	----	----	848.36
<b>Total Financial Liabilities</b>	<b>----</b>	<b>----</b>	<b>635.57</b>	<b>----</b>	<b>----</b>	<b>1,528.59</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### (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, 2022	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
<b>Financial Investments at FVTPL</b>					
Mutual Funds	6 & 11	36,875.35	---	---	36,875.35
Portfolio Management Service (PMS)	7	958.18	---	---	958.18
<b>Financial Investments at FVOCI</b>					
Equity Instruments	6	14.69	---	---	14.69
<b>Total Financial Assets</b>	---	<b>37,848.22</b>	---	---	<b>37,848.22</b>
<b>Financial Liabilities</b>					
<b>Total Financial Liabilities</b>	---	---	---	---	---
As at March 31, 2021	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
<b>Financial Investments at FVTPL</b>					
Mutual Funds	6 & 11	30,449.93	---	---	30,449.93
Portfolio Management Service (PMS)	7	2,046.87	---	---	2,046.87
<b>Financial Investments at FVOCI</b>					
Equity Instruments	6	11.43	---	---	11.43
<b>Total Financial Assets</b>	---	<b>32,508.23</b>	---	---	<b>32,508.23</b>
<b>Financial Liabilities</b>					
<b>Total Financial Liabilities</b>	---	---	---	---	---

**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.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### (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.

## 47 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.

#### 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 counterparty'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 assets 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

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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:

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Balance at the beginning of the year	32.29	42.93
Provision made/(reversed) during the year	64.12	(10.65)
<b>Balance at the end</b>	<b>96.40</b>	<b>32.29</b>

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.

#### 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

Particulars	(₹ in Lakhs)		
	Less than 1 year	More than 1 year	Total
<b>As at March 31, 2022</b>			
<b>Non-derivatives</b>			
Other financial liabilities	438.91	----	438.91
Trade payables	196.66	----	196.66
<b>Total Non-derivative liabilities</b>	<b>635.57</b>	<b>----</b>	<b>635.57</b>
<b>As at March 31, 2021</b>			
<b>Non-derivatives</b>			
Other financial liabilities	848.36	----	848.36
Trade payables	680.24	----	680.24
<b>Total Non-derivative liabilities</b>	<b>1,528.59</b>	<b>----</b>	<b>1,528.59</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### (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.

## 48 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.

## 49 Scheme of Arrangement with Kunjal Investments Private Limited

The Hon'ble National Company Law Tribunal, Ahmedabad bench ("NCLT"), vide its order dated August 16, 2021, sanctioned the Scheme of Amalgamation between Kunjal Investments Private Limited ('Transferor Company') and Voltamp Transformers Limited ('Transferee Company') and their respective shareholders and creditors under sections 230-232 of the Companies Act, 2013. With effect from the Appointed Date i.e. 01<sup>st</sup> June, 2020, all assets, properties, liabilities, rights, benefits and interests therein, reserves and surplus of the transferor Company without any further deed, act, matter or thing have been transferred to transferee Company at carrying values. Further, 43,44,474 Numbers of equity shares of transferee Company held by the transferor Company stands cancelled and the difference between the book value of investments held by the transferor Company in transferee Company and the face value of new equity shares issued by the transferee Company to the shareholders of transferor Company, is adjusted against the reserves of the Transferor Company as recorded in the books of Transferee Company.

As per the Amalgamation Scheme, all costs, charges, taxes including duties, levies and all other expenses, if any, incurred in carrying out and implementing this Scheme and matters incidentals thereto, is borne by KIPL and if there is a deficit or surplus in the total expenses in relation to this scheme compared to the amount of cash and bank balance (including amount refundable from Income Tax department) held by the KIPL on the appointed date, the same shall be reimbursed by or refunded to the promoter of KIPL as the case may be.

The Company had received certified copy of the order on 19<sup>th</sup> August, 2021 and the same had been filed with the Registrar of Companies on 20<sup>th</sup> August, 2021. Pursuant to above, following assets and liabilities were transferred in the books of Voltamp Transformers Limited as on appointed date i.e. 01.06.2020 as mentioned in table (a) below. Further, the Company has given effect of the Scheme in the financial statement and as per requirements of IND AS 103 "Business Combination", the comparatives for the previous year have been restated and the impact of the same is stated in table(b) below:

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(a) Assets and liabilities transferred in the books of Voltamp Transformers Limited as on appointed date i.e 01.06.2020

(₹ In Lakhs)

Particular	Amount
<b>Asset</b>	
Cash and Bank Balance	498.69
Advance tax net of provisions	46.19
<b>Total (A)</b>	<b>544.88</b>
<b>Liabilities</b>	
Expenses Payable	508.76
<b>Total (B)</b>	<b>508.76</b>
<b>Net asset taken over in pursuance to scheme of amalgamation C = (A-B)</b>	<b>36.12</b>
<b>Other Adjustment in view of scheme of amalgamation as follow:</b>	
<b>Reserves</b>	
Adjustment to reserves on Cancellation of equity shares held by Kunjal Investment Private Limited of Voltamp Transformers Limited	34.82
<b>Total (D)</b>	<b>34.82</b>
<b>Reserves on account of Amalgamation E = (C-D)</b>	<b>1.30</b>
Capital redemption Reserve	0.04
Amount Adjusted by credit given to Capital Reserve on Amalgamation	1.26
<b>Total Reserves on account of Amalgamation</b>	<b>1.30</b>

(b) Net Impact on financial statements for the previous year ended 31<sup>st</sup> March , 2021 on account of amalgamation and restatement thereon:

(₹ In Lakhs)

Particular	Amount
<b>(i) Net Impact on statement of asset and liabilities for the year ended 31<sup>st</sup> March, 2021:</b>	
Increase in Non current assets	48.45
Increase in Cash and bank balances	22.78
Increase in Other Bank balances other than cash and bank balance	498.00
Increase in Other financial liabilities	567.93
Increase in other equity	1.30
<b>(ii) Net Impact on Other Equity for the year ended 31<sup>st</sup> March, 2021</b>	
Other Equity as on 31.03.2021(As per Audited financials)	82,402.48
Increase in Other equity on account of amalgamation	1.30
Other Equity as on 31.03.2021 (Restated)	82,403.78
<b>(iii) Net Impact on Cash Flow Statement for the year ended 31<sup>st</sup> March, 2021</b>	
Increase in other current liability	567.93
Increase in other financial assets	498.00
Increase in Cash and bank balances	22.78
Increase in Direct taxes paid	48.45
Increase on account of amalgamation	1.30

**50 Other disclosures**

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against The Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that The Company shall:(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company do not have any such transaction which is not recorded in the books of accounts and that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- (viii) The company holds all the title deeds of immovable property in its name.
- (ix) The company is not declared as willful defaulter by any bank or financial Institution or other lender.

**51 Event after reporting Period****Proposed Dividend**

The company has proposed dividend of ₹ 35 per equity share of ₹ 10 each recommended by the Board of Directors at its meeting held 25<sup>th</sup> May, 2022. The same amounts to ₹ 3540.99 lakhs and its subject to approval at the ensuing Annual General Meeting of the company.

- 52** The financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors on 25<sup>th</sup> May, 2022. The financial statements as approved by the Board of Directors are subject to final approval by its Shareholders.
- 53** 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, C N K & Associates, LLP**

Chartered Accountants

Firm Registration No.:101961W/W-100036

**Alok Shah**

Partner

Membership No.42005

Place : Vadodara

Date : 25<sup>th</sup> May, 2022**For and on behalf of the Board****For Voltamp Transformers Limited****Kanubhai S. Patel**

Chairman &amp; MD

Place : Vadodara

**Hemant P. Shaparia**

Director

Place : Rajkot

**Shailesh Prajapati**

CFO

Place : Vadodara

Date : 25<sup>th</sup> May, 2022**Kunjalbhai L. Patel**

Vice Chairman &amp; MD

Place : Vadodara

**Rajendra C. Patel**

Director

Place : Ahmedabad

**Sanket Rathod**

Company Secretary

Place : Vadodara

**Taral K. Patel**

Director

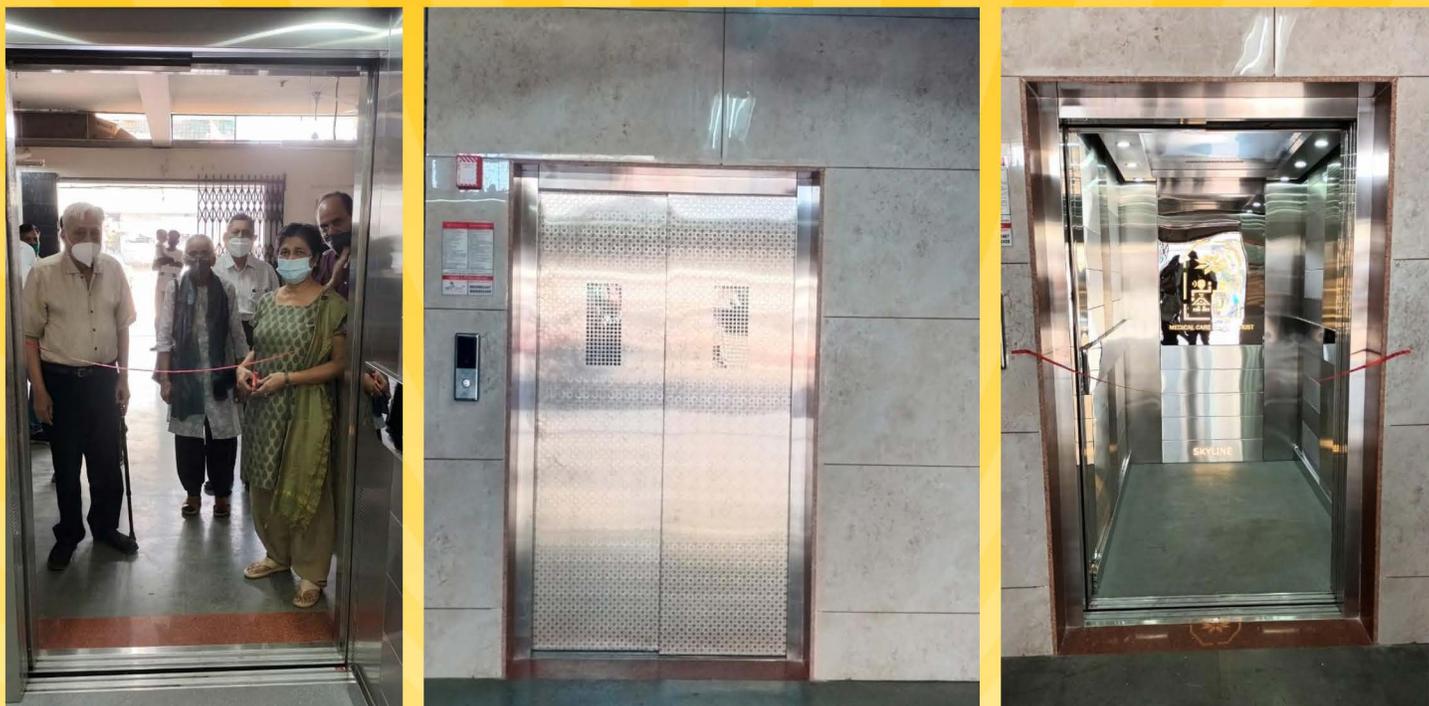
Place : Vadodara

**Paulomi J. Lashkari**

Director

Place : Ahmedabad

### Medical Care Centre Trust - K.G. Patel Children Hospital - Patients' Lift



### Maninagar School CSR Project, Toilet for Girls and Boys





## **VOLTAMP TRANSFORMERS LIMITED**

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

CIN : L31100GJ1967PLC001437