

Date: February 13, 2024

To,
National Stock Exchange of India Ltd,
Exchange Plaza,
Bandra Kurla Complex, Bandra (East),
Mumbai- 400051

Dear Sir/Madam,

Sub: Submission of Half-yearly Financial Results for the half-year ended September, 2023

This in reference to caption matter, we hereby submit the Audited Financial Results for the Half-year ended September, 2023 as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly take the same into your records.

Yours faithfully

For, Megatherm Induction Limited

Abanti Saha Basu
Abanti Saha Basu
Company Secretary
Membership No.: A69276



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Megatherm Induction Limited (Formerly Megatherm Induction Private Limited)

Report on the Audit of the Special Purpose Interim Condensed Financial Statements

Opinion

We have audited the accompanying Special Purpose Interim Condensed Financial Statements of the Megatherm Induction Limited (Formerly Megatherm Induction Private Limited) ("the Company"), which comprise the Special Purpose Interim Condensed Balance Sheet as at September 30, 2023, Special Purpose Interim Condensed Statement of Profit and Loss and the Special Purpose Interim Condensed Cash Flow Statement for the period then ended, and notes to the Special Purpose Interim Condensed financial statements, including a summary of significant accounting policies and other explanatory information and disclosure. The Special Purpose Interim Condensed Financial Statements have been prepared by the Management of the Company in accordance with the Accounting Standard 25 "Interim Financial Reporting" prescribed under section 133 of the Act read with Companies (Accounts) Rules, 2014 as amended with respect to the recognition & measurement principles and other accounting principles generally accepted in India.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying special purpose Interim Condensed financial statements in all material respects give a true and fair view of the financial position of the Company as at September 30, 2023, and of its financial performance and its cash flow for the period ended in accordance with the Accounting Standard 25 "Interim Financial Reporting" prescribed under section 133 of the Act read with Companies (Accounts) Rules, 2014 as amended with respect to the recognition & measurement principles and other accounting principles generally accepted in India. .

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special purpose Interim Condensed 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 ethical requirements that are relevant to our audit of the special purpose Interim Condensed financial statements, 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.



Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 2.01 to the Special Purpose Interim Condensed Financial Statements which states that the financial statements have been prepared in accordance with Accounting Standards 25 “Interim Financial Reporting” except for disclosure of comparatives which is exempt as per SEBI ICDR Regulations. The Special Purpose Interim Standalone Financial Statements are prepared to assist the company for the purpose of preparation of restated financial statements to be included in Offer Document of the company in relation to its proposed initial public offering of equity shares as required by Section 26 of Part I of Chapter III of the Act, SEBI[HB1] ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. As a result, the Special Purpose Interim Standalone Financial Statements may not be suitable for another purpose.

Our report is intended solely for the use of management and Board of Directors and should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our opinion is not modified in respect of this matter.

Responsibilities of Management for the Special Purpose Interim Condensed Financial Statements

Management is responsible for the preparation of these special purpose Interim Condensed financial statements in accordance with the Accounting Standard 25 “Interim Financial Reporting” prescribed under section 133 of the Act read with Companies (Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India, except for disclosure of comparatives which is exempt as per SEBI ICDR Regulations; and this includes design, implementation and maintenance of such internal control as management determines is necessary to enable the preparation of special purpose Interim Condensed financial statement that are free from material misstatement whether due to fraud or error.

In preparing the special purpose Interim Condensed financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters relating 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 responsible for overseeing the Company’s financial reporting process.



Auditor's Responsibilities for the Audit of the Special Purpose Interim Condensed Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose Interim Condensed 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 special purpose Interim Condensed financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Special purpose Interim Condensed financial statements.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W



Dipak Jaiswal

Partner

Membership No. 063682

UDIN:23063682BGVXW8585

Place: Kolkata

Date: November 09, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE SPECIAL PURPOSE INTERIM CONDENSED FINANCIAL STATEMENTS OF MEGATHERM INDUCTION LIMITED (Formerly MEGATHERM INDUCTION PRIVATE LIMITED)

Auditor's Responsibilities for the Audit of the Special Purpose Interim Condensed Financial Statements

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

- Identify and assess the risks of material misstatement of the Special Purpose Interim Condensed 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, but not for expressing our opinion on whether the company has internal financial controls with reference to Special Purpose Interim Condensed Financial Statements 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 Special Purpose Interim Condensed Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence



MSKA & Associates

Chartered Accountants

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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W



Dipak Jaiswal

Partner

Membership No. 063682

UDIN: 23063682BGXVXW8585

Place: Kolkata

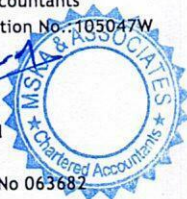
Date: November 09, 2023

	Note No.	30 September 2023
I. EQUITY AND LIABILITIES		
1) Shareholders' funds		
(a) Share capital	3	1,384.87
(b) Reserves and surplus	4	4,437.11
		<u>5,821.98</u>
2) Non-current liabilities		
(a) Long-term borrowings	5	1,144.79
(b) Deferred tax liabilities (net)	6	315.56
(c) Long-term Provision	7	146.64
		<u>1,606.99</u>
3) Current liabilities		
(a) Short-term borrowings	8	3,335.67
(b) Trade payables	9	
Total outstanding dues of micro enterprises and small enterprises		1,482.57
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,920.91
(c) Other current liabilities	10	5,651.35
(d) Short-term provisions	7	220.81
		<u>13,611.31</u>
TOTAL		<u><u>21,040.28</u></u>
II. ASSETS		
1) Non-current assets		
(a) Property, Plant and Equipment Property and Intangible assets		
(i) Property, Plant and Equipment	11	6,119.50
(ii) Intangible assets	12	78.47
(iii) Capital work-in-progress	36	160.83
		<u>6,358.80</u>
(c) Other non-current assets	13	1,053.62
		<u>7,412.42</u>
2) Current assets		
(a) Current Investments	14	300.00
(b) Inventories	15	7,856.00
(c) Trade receivables	16	2,177.39
(d) Cash and Cash Equivalents	17 (a)	794.13
(e) Other bank balances	17 (b)	494.76
(f) Short-term loans and advances	18	1,700.16
(g) Other current assets	19	305.42
		<u>13,627.86</u>
TOTAL		<u><u>21,040.28</u></u>
Summary of significant accounting policies	2	
The accompanying notes are an integral part of the special purpose interim Condensed financial statements	1 to 49	

As per our report of even date

For M S K A & Associates
Chartered Accountants
Firm Registration No.: 105047W

Dipak Jaiswal
Partner
Membership No 063682



For and on behalf of the Board of Directors of
Megatherm Induction Limited
CIN : U31900WB2010PLC154236

Shesadri Bhusan Chanda
Chairman & Managing Director
DIN: 00961593

Satadri Chanda
Director & CFO
DIN: 02302312

Abanti Saha Basu
Abanti Saha Basu
Company Secretary
Membership No:- A69276



Place : Kolkata
Date: 09-11-2023

Place : Kolkata
Date: 09-11-2023

	Note No.	1 April 2023 to 30 September 2023
I. Revenue from operations	20	14,687.50
II. Other Income	21	44.81
III. Total Income (I + II)		14,732.31
IV. Expenses		
Cost of materials consumed	22	11,773.71
Changes in inventories of finished goods and work-in-progress	23	(608.50)
Employee benefits expense	24	777.75
Finance costs	25	250.49
Depreciation and amortisation expense	26	161.72
Other expenses	27	1,368.46
Total expenses		13,723.63
V. Profit before tax		1,008.68
VI. Tax expenses		
Current tax		240.84
Deferred tax (credit) / charge		8.50
Net Tax Expenses		249.34
VII. Profit for the period		759.34
VIII. Earnings per equity share [nominal value of share Rs 10 each]	28	
Basic		5.48
Diluted		5.48
Summary of significant accounting policies	2	
The accompanying notes are an integral part of the special purpose interim Condensed financial statements	1 to 49	

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration No.: 105047W

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Partner

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For and on behalf of the Board of Directors of

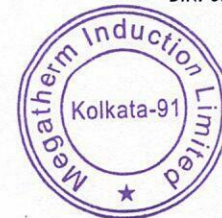
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Place : Kolkata
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Megatherm Induction Limited (Formerly Megatherm Induction Private Limited)
Special Purpose Interim Condensed Cash Flow Statement for the half year ended 30th September, 2023

Rs in Lakhs

Particulars	Half Year ended	
	1 April 2023 to 30 September 2023	
A. Cash Flow from Operating Activities		
Profit Before Provision for Taxation		1,008.68
Adjustments for :		
Depreciation & Amortisation	161.72	
Gain on foreign exchange fluctuation	(13.86)	
Provision for Gratuity	23.45	
Bad Debts/Advances written off	2.04	
Provision for Doubtful Debts/Advances	65.04	
Interest Expenses	250.49	
Interest Income	(16.87)	
Provision for Warranties	92.81	
		564.82
Operating Profit before Working Capital Changes		1,573.50
Adjustments for :		
Decrease in trade receivables	89.51	
(Increase) in loans and advances	(856.49)	
(Increase) in Other Assets	(430.95)	
Increase in trade payables	278.08	
(Increase) in inventories	(746.66)	
(Decrease) in provisions	(49.69)	
Increase in other current liabilities	533.38	(1,182.82)
Cash Generated from Operations		390.68
Direct Taxes Paid		(240.84)
Net Cash from Operating Activities		149.84
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment, including movement in CWIP and capital advances	(657.18)	
Movement In Investment in Mutual Funds	(300.00)	
Movement In Fixed Deposits	(46.15)	
Interest received	9.64	
Net Cash used in Investing Activities		(993.69)
C. Cash Flow from Financing Activities		
Repayment of Long Term Borrowings	(211.65)	
Increase/ (Decrease) in Cash Credit facility & other borrowings	410.07	
Interest paid	(250.49)	
Net Cash from Financing Activities		(52.07)
		(895.92)
Cash and cash equivalents at the beginning of the period		1,690.05
Cash and cash equivalents at the end of the period		794.13



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Megatherm Induction Limited (Formerly Megatherm Induction Private Limited)
Special Purpose Interim Condensed Cash Flow Statement for the half year ended 30th September, 2023

Rs in Lakhs

	As at
	1 April 2023 to 30 September 2023
Cash and Cash Equivalents comprise:-	
Cash in hand	0.86
Bank Balances with Scheduled Banks :	
Current Account	793.27
	794.13

Notes :

1. The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3, "Cash Flow Statement" notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.
2. Figures in () represents cash outflow.

As per our report of even date attached

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration No: 105047W


Dipak Jaiswal
Partner



Membership No 063682

For and on behalf of the Board of Directors of

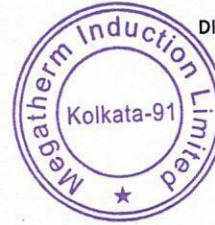
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Place : Kolkata
Date: 09-11-2023

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1 General Information

Megatherm Induction Limited (Formerly Megatherm Induction Private Limited) primarily engaged in the business of manufacturing and selling of Capital Equipments like Induction Melting and Heating Equipments, Arc Melting Furnace, Ladle Refining Furnace, Continuous Casting Machines, Transformers etc. and various parts thereof which are required by the Steel Making Industries, Foundry, Forging and Power sector. The company also carries on business of repairs and contractors for servicing and production, modification, reconstruction etc. of all types of Engineering goods, equipments, plant & machineries.

The Company has manufacturing plant at Kharagpur, West Bengal and sells primarily in Domestic Markets. The Company is an Unlisted Public Limited Company and a Subsidiary of Megatherm Electronics Private Limited.

2 Summary of Significant Accounting Policies

2.01 Basis of preparation

The Special Purpose Interim Condensed financial statements have been prepared in accordance with Accounting Standards 25 "Interim Financial Reporting" except for disclosure of comparatives which is exempt as per SEBI ICDR Regulations. The Special Purpose Interim Condensed Financial Statements are prepared to assist the company for the purpose of preparation of restated financial statements to be included in Offer Document of the company in relation to its proposed initial public offering of equity shares as required by Section 26 of Part I of Chapter III of the Act, SEBI[HB1] ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. As a result, the Special Purpose Interim Standalone Financial Statements may not be suitable for another purpose.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of business and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III of the Act unless otherwise stated.

2.02 Use of estimates

The preparation of Special Purpose Interim Condensed Financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.03 Property, Plant and Equipment

Tangible assets

Tangible assets, capital work in progress are stated at cost, less accumulated depreciation, revaluation and impairment losses, if any. Cost comprises the purchase price, borrowing costs, if capitalization criteria are met and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company.

When parts of an item of tangible assets have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure relating to tangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognized in the Statement of Profit and Loss.



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Intangible assets

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during development / acquisition and exclusive of Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company.

Subsequent expenditure relating to intangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

2.04 Depreciation on property, plant and equipments

Based on management's evaluation, useful life prescribed in Schedule II of the Companies Act, 2013 represent actual useful life of property, plant and equipment. The Company uses Straight Line Methods and has used following useful lives to provide depreciation of different class of its property, plant and equipment and Intangible assets.

Particulars	September 30, 2023 (Useful life in years)
Leasehold Land	99
Buildings	30
Plant and Machinery	15
Electrical Installation	10
Furniture and fixtures	10
Computer	3
Furniture and fixtures	10
Office equipment	3-5
Vehicle	8

The depreciation charge for each period is recognized in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset.

The Company has adopted Schedule II to the Companies Act, 2013 which requires identification and determination of separate useful life for each major component of the property, plant and equipment, if they have useful life that is materially different from that of the remaining asset. (Component Accounting)

Leasehold improvements are depreciated over their estimated useful life, or the remaining period of lease from the date of capitalization, whichever is shorter.

Depreciation on addition to tangible assets is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/discard from tangible assets is provided for upto the date of sale, deduction or discard of tangible assets as the case may be.

The useful life, residual value and the depreciation method are reviewed atleast at each period end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.

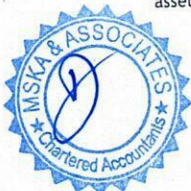
2.05 Amortization of Intangible assets

Amortization of intangible assets has been calculated on straight line basis at the following rates, based on management estimates, which in the opinion of the management are reflective of the estimated useful lives of the Intangible assets.

Particulars	September 30, 2023 (Useful life in years)
Computer Softwares	3

Amortization on addition to intangible assets is provided on pro-rata basis from the date the assets are ready for intended use. Amortization on sale/discard from intangible assets is provided for upto the date of sale, deduction or discard of intangible assets as the case may be.

The amortization period and the amortization method are reviewed at least at each period end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.



2.06 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life.

2.07 Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use or sale are capitalized until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized as expenditure in the period in which they are incurred.

2.08 Foreign currency translation

Initial recognition:

Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent recognition:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined.

Exchange differences:

Exchange differences arising on the settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognized as income or as expenses in the period in which they occur.

2.09 Revenue recognition

Revenue is recognized to the extent, that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the buyer and are recorded net of trade discounts, rebates, Sales Tax, Value Added Tax, Goods and Service Tax and gross of Excise Duty.

Revenue from services

Revenue from services is recognized pro-rata over the period of the contract as and when services are rendered and the collectability is reasonably assured. The revenue is recognized net of Goods and service tax.

Interest Income

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and applicable interest rate.

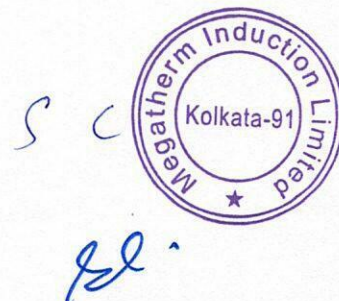
Dividend Income

Dividend is recognized when the Company's right to receive dividend is established.

2.10 Retirement and other employee benefits

Defined contribution plan

The Company makes defined contribution to Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance, ESI and Superannuation Schemes, which are recognized in the Statement of Profit and Loss on accrual basis.



Defined Benefit Plan- Gratuity

The Company provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the Balance Sheet date. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation or change in return of the plan assets is recognized as an income or expense in the Statement of Profit and Loss.

2.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

2.12 Inventories

Raw materials, components, stores and spares, and packing material are valued at cost. However, these items are considered to be realizable at replacement cost if the finished goods, in which they will be used, are expected to be sold below cost.

Cost of inventories is computed on a weighted-average basis. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition.

Work in progress and manufactured finished goods are valued at the lower of cost and net realizable value. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, Cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded goods is determined on a weighted average basis.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

2.13 Income Taxes

Tax expense for the period comprises of current tax, deferred tax and Minimum alternate tax credit (Wherever applicable).

Provision for current tax is made on the basis of estimated taxable income for the current accounting period in accordance with the Income-tax Act, 1961.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts, and there is an intention to settle the asset and the liability on a net basis.

The deferred tax for timing differences between the book and tax profits for the period is accounted for, using the tax rates and laws that have been substantively enacted as of the reporting date.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

At each reporting date, the Company reassesses the unrecognized deferred tax assets, if any.



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2.14 Contingent Liability, Provisions and Contingent Asset

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

The Company records a provision for decommissioning, restoration and similar liabilities that are recognized as cost of property, plant and equipment. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets are neither recorded nor disclosed in the financial statements.

2.15 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.16 Government Grants and Subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy related to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant is related to an asset, it is adjusted with the gross value of assets.

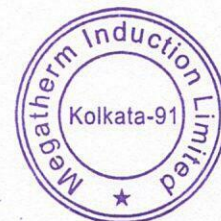
When the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.

2.17 Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based.

Unallocated items include general corporate income and expense items, which are not allocated to any business segment.



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30 September 2023

Note 3 - Share capital

The Company has only one class of Share Capital having a par value of Rs. 10 per share, referred to herein as equity shares.

Authorised

At the commencement of the period (1,50,00,000 Equity Shares of Rs. 10/- each)
Add: increased during the period (40,00,000 Equity Shares of Rs. 10/- each)
At the end of the period (1,90,00,000 Equity Shares of Rs. 10/- each)

1,500.00
400.00
1,900.00

Issued, subscribed and fully paid up

1,38,48,729 Equity Shares of Rs. 10/- each

1,384.87

a. Reconciliation of shares outstanding at the beginning and at the end of the period

	30 September 2023	
	Number	Amount
Equity Shares		
At the commencement of the period	92,32,486	923.25
Add: Issued during the period	<u>46,16,243</u>	<u>461.62</u>
At the end of the period	<u>1,38,48,729</u>	<u>1,384.87</u>

b. Rights, preferences and restrictions attached to equity shares

The company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Pursuant to the approval of the shareholders in Extra-Ordinary General Meeting held on August 08, 2023, the company has allotted 46,16,243 equity shares of ₹ 10 each as fully paid-up bonus shares in the ratio of 1 (One) equity share for every 2 (two) equity share outstanding on the record date i.e. August 09, 2023 by capitalization of securities premium. Further, The company has neither issued any shares for consideration other than cash nor bought back any shares during the period of five years immediately preceding the reporting date.

d. Shares held by holding/ultimate holdings company and/or their subsidiaries/associates

	30 September 2023	
	Number	Amount
Equity shares of Rs 10 each fully paid up held by: Megatherm Electronics Private Limited, Holding Company	1,36,83,729	1,368.37

e. Particulars of shareholders holding more than 5% shares of fully paid up equity shares

	30 September 2023	
	Number	% of total shares in the class
Equity shares of Rs 10 each fully paid up held by: Megatherm Electronics Private Limited., the Holding Company	1,36,83,729	98.81%

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

f. Details of Shares held by Promoters at the end of the period

Promoter name	30 September 2023		
	No. Of Shares	% of total shares	% Change during the period
Megatherm Electronics Private Limited	1,36,83,729	98.81%	50%
Sheasadri Bhusan Chanda	7,500	0.05%	50%
Satadri Chanda	3,600	0.03%	50%

Note 4 - Reserves and surplus

Securities Premium

At the commencement of the period

1,241.69

Less : Bonus Issue*

(461.62)

Securities Premium

780.07

Surplus/(deficit) in the Statement of Profit and Loss

At the commencement of the period

2,897.70

Profit for the period

759.34

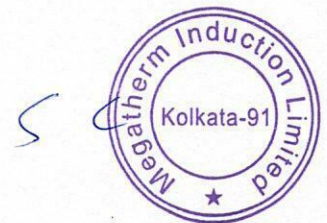
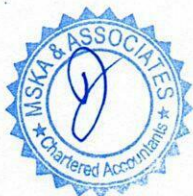
At the end of the period

3,657.04

Total Reserves and surplus

4,437.11

*Pursuant to the approval of the shareholders in Extra-Ordinary General Meeting held on August 08, 2023, the company has allotted 46,16,243 equity shares of ₹ 10 each as fully paid-up bonus shares in the ratio of 1 (One) equity share for every 2 (two) equity share outstanding on the record date i.e. August 09, 2023 by capitalization of securities premium.



Note 5 - Long-term borrowings

	Non-current portion 30 September 2023	Current maturities 30 September 2023
Term Loans (secured)		
From banks	1,144.79	814.87
Less: Amount disclosed under the head "Short-term borrowings" (Ref Note 8)		(814.87)
	<u>1,144.79</u>	<u>-</u>

(A) Terms of repayment

Term loans and COVID Loan

Name of the lender	No of Instalment Due	Rate of Interest (%)	Within one year (Rs.)	After one year but not more than 5 years (Rs.)	More than 5 years (Rs.)
Rupee loans (secured)					
Term Loan Indian bank	5.00	10.75	387.70	34.86	-
Covid Term Loan 20%	10.00	9.25	162.56	-	-
HDFC Equipment Loan-Crane-84766357-14-Cr	11.00	10.35	3.80	-	-
HDFC Equipment Loan-Crane-84766344-12.50-Cr	11.00	10.35	3.39	-	-
HDFC Equipment Loan-Hydra-84529352-13.75-Cr	11.00	10.55	3.74	-	-
PNB CAR LOAN 454800NG000239	27.00	8.00	2.50	2.97	-
Term Loan Account-7204056815	17.00	10.75	103.76	325.48	-
GECLS Loan Account-7209968838	36.00	9.25	3.04	400.00	-
Axis Bank -AUR031907828586(2nd Battery Car)	47.00	8.75	2.88	9.93	-
Open Term Loan Account -7417195951	15.00	10.75	139.99	370.00	-
Axis Bank-Maruti EECO 55TR	27.00	8.85	1.51	1.55	-
Total			814.87	1,144.79	-

(B) Details of security

The term loan and covid loans are secured as under:

Primary :

- Equitable mortgage of 10 acres of leasehold land and factory under construction thereon at Vidyasagar Industrial Park.
- Equitable Mortgage of Factory Building and other structure built on 10 Acres of Factory Land allotted by WBSIDC for 99 years and Factory Construction thereon.
- Exclusive First charge on Plant & Machinery and Other Fixed asset acquired through the Term loan.

Collateral :

- Equitable mortgage of 5 acres of leasehold land at Vidasagar Industrial Park.
- Equitable Mortgage of Residential Plot at premises No. 05-0685, Plot no. 2128, Block IIC, Rajarhat , New town in the joint name of Mr. S.B.Chanda & Smt. Ayati Chanda
- Equitable Mortgage of Residential Flat at premises No. UDITA Tower Tritiya, Flat no 402,1050/1, Survey Park Kolkata-700075 in the joint name of Mr. S.B.Chanda & Smt. Ayati Chanda
- Equitable Mortgage of Residential Flat at premises No. 1E Baikunth,114 NSC Bose Road Kolkata - 700040 in the name of Smt. Ayati Chanda
- Equitable Mortgage of Residential Flat at premises No. UDITA Tower Tritiya, Flat no 401/1050/1, Survey Park Kolkata-700075.
- Equitable Mortgage of Commercial Premises at 123 SDF Building Sector-V Salt Lake City Kolkata-700091.
- Pledge of FDR 320.63 Lakhs

- Pledge of Share held by Megatherm Electronics Private Ltd (MEPL) (Holding Co.) in the name of Megatherm Induction Private Limited (MIPL) to the extent of 30% of Paid Up Capital of MIL with the Bank.

Guarantee :

Personal Guarantee of Sri Shesadri Bhusan Chanda, Sri Satadri Chanda and Smt. Ayati Chanda

(C.) Details of security of Vehicle Loan

Nature of Security

Loan from HDFC Bank secured by hypothecation of the Vehicle Financed and personal guarantee of Mr. Satadri Chanda

Loan from Axis Bank is secured by hypothecation of the Vehicle Financed.

Loan from Punjab National Bank is secured by hypothecation of the Vehicle Financed and personal guarantee of Mr. Satadri Chanda

Note 6 - Deferred tax liabilities (net)

Deferred tax liabilities

Difference between book depreciation & tax depreciation

30 September 2023

390.73

Deferred tax assets

Expenses provided but allowable in Income Tax on payment basis

(75.17)

(75.17)

Deferred tax liability (net)

315.56

Note 7 - Provision

Provision for employee benefits:

Provision for gratuity (unfunded) (Refer Note 34)

146.64

15.16

Other provisions:

Provision for Warranties (Refer Note 29b)

-

143.60

Provision for Income tax [net of advance tax of Rs. 611.70 Lacs]

-

62.05

146.64

220.81

30 September 2023

Note 8 - Short-term borrowings

Loans repayable on demand

From banks (secured)

Rupee loans

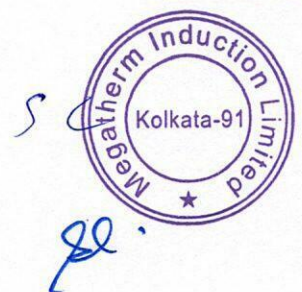
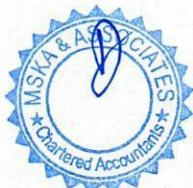
2,520.80

Current maturities of long-term debt (refer note 5)

814.87

3,335.67

Note : The secured rupee loans from banks are repayable on demand and other loans are repayable on maturity.



Details of security

Primary Securities :

Bank Borrowings for working capital are secured by first charge over the company's stock of materials, receivables and other current assets, both present & future.

Collateral Securities:

Refer note no 5 (B)

Note 9 - Trade payables

30 September 2023

Total outstanding dues of micro enterprises and small enterprises	1,482.57
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,920.91
	4,403.48

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	30 September 2023
(a) Amount remaining unpaid to any supplier at the end of each accounting period:	
Principal	1,482.57
Interest	-
Total	1,482.57
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period.	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act.	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting period.	-
(e) The amount of further interest remaining due and payable even in the succeeding periods, 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 MSMED Act.	-

30 September 2023 Particulars	Unbilled Payables	Current				Total
		Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1,376.56	41.57	17.58	46.86	1,482.57
(ii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Others	-	2,574.17	221.72	50.39	72.38	2,918.66
(iv) Disputed dues - Others	-	-	-	-	2.25	2.25
Total	-	3,950.73	263.29	67.97	121.49	4,403.48

30 September 2023

Note 10 - Other current liabilities

Advances received from customers	5,383.42
Goods and Service tax payable	1.40
TDS payable	15.18
Other Statutory dues	11.68
Unearned Revenue	16.54
Other payables	223.13
	5,651.35



Note 11 - Property, Plant and Equipments

Particulars	Leasehold Land	Buildings	Buildings on Lease	Plant and Machinery	Material Handling Equipments	Testing & Inspection Equipments	Storage Equipment & Accessories	Electrical Installation	Furniture and fixtures	Office Equipments	Tools & Equipment	Vehicles	Computer	Total
Gross Block														
Balance as at 1 April 2023	530.89	4,106.58	-	1,238.38	369.15	49.19	116.38	294.11	42.32	35.45	1.01	42.72	52.97	6,879.15
Additions during the period	-	3.54	738.86	9.60	0.25	2.46	0.48	-	0.83	0.85	1.84	-	2.44	761.14
Disposals/Discard	-	(146.32)	-	(64.58)	(6.42)	(0.65)	-	(8.82)	-	-	-	-	-	-
Subsidy Received	-	-	-	-	-	-	-	-	-	-	-	-	-	(226.79)
Balance as at 30 September 2023	530.89	3,963.81	738.86	1,183.40	362.97	50.99	116.86	285.28	43.14	36.30	2.84	42.72	55.40	7,413.49
Accumulated Depreciation														
Balance as at 1 April 2023	66.25	550.13	-	187.36	86.84	14.50	12.28	159.04	18.02	16.15	0.16	6.67	28.00	1,145.40
Depreciation for the period	2.15	60.24	-	39.08	11.53	1.72	3.68	17.19	2.03	2.59	0.08	2.54	5.75	148.59
Accumulated depreciation on disposals/discard	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30 September 2023	68.40	610.36	-	226.44	98.38	16.23	15.95	176.23	20.06	18.74	0.24	9.21	33.74	1,293.99
Net Block														
Balance as at 30 September 2023	462.49	3,353.45	738.86	956.96	264.59	34.76	100.91	109.05	23.08	17.56	2.60	33.51	21.66	6,119.50

Note 1 : Details of assets taken on Finance Leases :

Particulars	Material Handling Equipments			Vehicles			Total
	Material Handling Equipments	Vehicles	Total	Material Handling Equipments	Vehicles	Total	
Gross Block							
Balance as at 1 April 2023	42.87	42.72	85.59				85.59
Balance as at 30 September 2023	42.87	42.72	85.59				85.59
Accumulated Depreciation							
Balance as at 1 April 2023	6.83	6.67	13.50				13.50
Balance as at 30 September 2023	8.18	9.21	17.39				17.39
Net Block							
Balance as at 30 September 2023	34.69	33.51	68.20				68.20

Note 2 : Refer Note 5 (B) for security related details

Note 12 - Intangible Assets

Owned Asset- Intangible Asset	Software	Total
Gross Block		
Balance as at 1 April 2023	81.44	81.44
Additions during the period	23.56	23.56
Balance as at 30 September 2023	104.99	104.99
Accumulated Amortization		
Balance as at 1 April 2023	13.39	13.39
Amortization for the period	13.13	13.13
Balance as at 30 September 2023	26.52	26.52

Net Block		
Balance as at 30 September 2023	78.47	78.47



30 September 2023

Note 13 - Other non-current assets

(Unsecured, considered good)

Security and other deposits	181.10
Deposit with Bank (more than 12 months)	373.33
Trademark on Lease	491.38
Retention Money	1,053.62

Ageing of Retention Money :

30 September 2023	Non-Current					Total
	Outstanding for following periods from the date of transaction					
	Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	
(i) Undisputed Retention Money - considered good	201.59	119.39	168.40	2.00	-	491.38
Total	201.59	119.39	168.40	2.00	-	491.38

Note 14 - Current Investments

Current Investments

Short term trade (valued at lower of cost or market value) - Quoted

Investments in mutual funds (DSP Overnight Fund- Direct Plan- Growth Option)

Net current investments

	30 September 2023	
	Units	Book Value
Short term trade	24192.226	300.00
Investments in mutual funds		300.00
Net current investments		300.00

Aggregate market value as at the end of the period:

Market value of quoted investments

300.10

Note 15 - Inventories

(Valued at the lower of cost and net realisable value unless stated otherwise)

Raw materials *

Work-in-progress

Finished goods

* Goods in Transit Rs. 67.41 Lacs

30 September 2023

Raw materials *	4,969.00
Work-in-progress	2,191.90
Finished goods	695.10
Total	7,856.00

Note 16 - Trade receivables

Unsecured, considered good

Unsecured, considered doubtful

Less: Provision for doubtful receivables

30 September 2023

Unsecured, considered good	2,177.39
Unsecured, considered doubtful	116.04
	116.04
Total	2,177.39

30 September 2023	Current					Total
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,268.95	776.85	106.74	13.84	11.01	2,177.39
(ii) Undisputed Trade Receivables - considered doubtful	-	-	0.36	-	20.64	21.00
(iii) Disputed Trade Receivables-considered good	-	-	-	-	95.04	95.04
(iv) Disputed Trade Receivables - considered doubtful	-	-	(0.36)	-	(115.68)	(116.04)
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	-	-	-	-
Total	1,268.95	776.85	106.74	13.84	11.01	2,177.39

Note 17 (a) - Cash and Cash Equivalents

Cash on hand

Balances with banks

On current accounts

Note 17 (b) - Other Bank Balances

Current maturities

Margin money or deposits under lien

30 September 2023

Cash on hand	0.86
Balances with banks	793.27
On current accounts	794.13

30 September 2023

Current maturities	494.76
Margin money or deposits under lien	494.76

Note 18 - Short-term loans and advances

(Unsecured, considered good unless otherwise stated)

To parties other than related parties

Advances to supplies & Others

Advance to employees

Prepaid expenses

GST input credit receivable

30 September 2023

To parties other than related parties	747.09
Advances to supplies & Others	26.49
Advance to employees	76.95
Prepaid expenses	849.63
GST input credit receivable	1,700.16

Note 19 - Other current assets

(Unsecured, considered good)

To parties other than related parties

Interest accrued but not due on deposits

Export incentive receivable

Trademark on Lease

Subsidy Receivable

30 September 2023

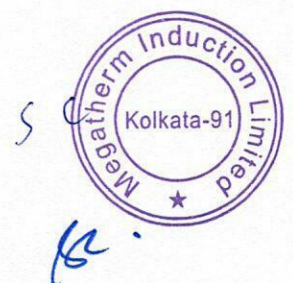
To parties other than related parties	17.79
Interest accrued but not due on deposits	34.17
Export incentive receivable	26.67
Trademark on Lease	226.79
Subsidy Receivable	305.42



	30 September 2023
Note 20 - Revenue from operations	
Sale of products	14,519.66
Finished Goods	91.72
Sale of services	54.50
Other operating revenue	21.62
Export incentives	14,687.50
Scrap Sale	14,687.50
	<u>30 September 2023</u>
Note 21 - Other income	16.87
Interest on fixed deposits with banks	19.45
Gain on foreign exchange fluctuation	8.49
Miscellaneous income	44.81
	<u>30 September 2023</u>
Note 22 - Cost of materials consumed	4,830.84
Inventory of raw materials at the beginning of the period	11,911.87
Purchases	16,742.71
	4,969.00
Less: Inventory of raw materials at the end of the period	11,773.71
	<u>30 September 2023</u>
(a) Details of raw material and components consumed	3,532.11
Copper	1,295.11
CRNGO	2,825.69
Steel, and Structure	4,120.80
Other Materials	11,773.71
	<u>30 September 2023</u>
(b) Value of imported and indigenous raw materials consumed	
	<u>30 September 2023</u>
	Amount %
Imported	306.86 2.61%
Indigenous	11,466.85 97.39%
	<u>11,773.71 100.00%</u>
	<u>30 September 2023</u>
(c) Details of closing inventory of raw material and components	966.95
Copper	562.06
CRNGO	31.90
Steel, and Structure	3,408.09
Other Materials	4,969.00
	<u>30 September 2023</u>
Note 23 - Changes in inventories of finished goods and work-in-progress	
Opening stock	284.68
Finished goods	1,993.82
Work-in-progress	2,278.50
	<u>695.10</u>
Closing stock	2,191.90
Finished goods	2,887.00
Work-in-progress	(608.50)
	<u>30 September 2023</u>
Note 24 - Employee benefits expense	638.80
Salaries, wages and bonus	35.40
Contribution to provident and other funds	103.55
Staff welfare expenses	777.75
	<u>30 September 2023</u>
Note 25 - Finance costs	185.01
Interest expense	1.72
On bank loan	15.77
On assets on finance lease	47.99
Other borrowing costs	250.49
Bank charges	250.49
	<u>30 September 2023</u>
Note 26 - Depreciation and amortisation expense	148.59
on tangible assets (refer note 11)	13.13
on intangible assets (refer note 12)	161.72



	30 September 2023
Note 27 - Other expenses	119.12
Consumption of stores and spare parts	121.14
Labour Charges	10.15
Erection & Commissioning	66.48
Power and fuel	44.77
Freight, clearing and forwarding	81.30
Packing charges	62.05
Rent	
Repairs to:	9.91
Plant and machinery	4.48
Building	1.01
Computer	31.28
Others	16.44
Insurance	2.42
Rates and taxes	30.34
Travelling and conveyance expenses	132.00
Legal and professional fees	27.25
Payment to auditors' (refer note (a) below)	96.29
Advertisement and Sales Promotion	21.32
Security Service Charges	0.05
Research and Development Expense	13.23
Telephone and communication expenses	65.04
Provision for doubtful debts and advances	9.49
Corporate Social Responsibility (Refer Note 33)	92.81
Provision for Warranty (Refer Note 29 b)	2.04
Bad Debt/Advance Written Off	277.67
Selling Expenses	30.38
Miscellaneous expenses	<u>1,368.46</u>
	<u>30 September 2023</u>
a. Payment to auditors':	
As auditors:	11.50
Statutory audit	0.75
Tax audit	15.00
Other Services	<u>27.25</u>
	<u>30 September 2023</u>
Note 28 - Earnings per share (EPS)	<u>30 September 2023</u>
Profit after tax as reported	(a) 759.34
Net Profit attributable to Equity Shareholders for calculation of basic and diluted (Rs in lakhs)	(b) 759.34
Weighted average number of equity shares outstanding during the period for calculation of basic and diluted EPS (in no's)	(c) 1,38,48,729
Basic EPS of Rs 10 each	(d) = (b) / (c) 5.48
Diluted EPS of Rs 10 each	(d) = (b) / (c) 5.48
Nominal value of equity share (in Rs)	10.00
	<u>30 September 2023</u>
Note 29 - Contingent liabilities and Commitments (to the extent not provided for)	
a) Contingent Liabilities:	
(i) Guarantee Issued By Bank	374.56
(ii) Letter of Credit By Bank	2,750.38
b) Provision for Warranty	
Particulars	<u>30 September 2023</u>
Opening Balance of Provision for Warranty	137.76
Add : Created during the period	92.81
Less : Utilized during the period	86.97
Closing Balance of Provision for Warranty	143.60
	<u>30 September 2023</u>
Note 30 - CIF value of imports	
Raw materials	310.46
	<u>310.46</u>
	<u>30 September 2023</u>
Note 31 - Expenditure in foreign currency	
Erection & Commissioning	37.07
Advertisement and Sales Promotion	25.37
Travelling and conveyance	24.85
Total Expenditure in foreign currency	<u>87.29</u>
	<u>30 September 2023</u>
Note 32 - Earnings in foreign currency	
Exports at F.O.B. Value	3,088.51
Total Earning in foreign currency	<u>3,088.51</u>



Note 33 - Corporate Social Responsibility

Particulars	30 September 2023
Amount required to be spent by the Company during the year as per section 135 for the Companies Act 2013	9.49
Amount approved by the Board	9.49
Amount of expenditure incurred during the period	2.95
Amount of shortfall for the period	6.54
Amount of cumulative shortfall at the end of the period	6.54

Reason for Shortfall

The Company is in its first year of CSR activities and is planning to incur the shortfall amount in the next half of the financial year.

Details of CSR Expenses incurred

a) Contribution to School of Fitness and Personality Development (a Trust registered with ROC for undertaking CSR activities)	1.00
b) Contribution to Kharagpur Yuba Sangha Club for Social Work Project	1.50
c) Contribution to Footstep Foundation for Promoting Education	0.45
	<u>2.95</u>

Note 34 - Employee benefits: Post employment benefit plans

1. Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Superannuation Fund, which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

2. Defined benefit plans

The following table summarises the position of assets and obligations relating to the gratuity plan:

	30 September 2023
Net Asset / (liability) recognised in Balance sheet as at the period end	
Fair value of plan assets	161.80
Present value of obligations	(161.80)
Asset / (liability) recognised in balance sheet	
Classification into current/ non-current	
Current portion	15.16
Non-current portion	146.64
Movement in present value of defined benefit obligations	
Opening Defined benefit obligation	150.56
Current service cost	6.12
Interest cost	5.42
Actuarial (gains) / losses	11.91
Benefits paid by the plan	(12.21)
Closing Defined benefit obligations	<u>161.80</u>
Composition of plan assets	
Qualifying insurance policies	0%
Expense recognised in the Statement of Profit and Loss	
Current service cost	6.12
Interest on obligation	5.42
Expected return on plan assets	-
Net actuarial (gain) / loss recognised in the period	11.91
Total included in 'Employee benefits expense' (refer note 24)	<u>23.45</u>
Principal actuarial assumptions	
Discount rate	7.20%
Expected return on plan assets	NA
Salary growth rate	5.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

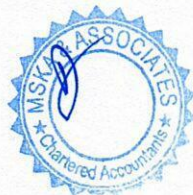
Discount rate is based on the prevailing market yield of Indian Government securities as at the period end for the estimated term of the obligation.

Assumptions regarding future mortality are based on published statistics and mortality tables. The calculation of the defined benefit obligation is sensitive to the mortality assumptions.

Five-year information

Amounts for the current and previous four periods are as follows:

	30 September 2023	31 March 2023	31 March 2022	31 March 2021	31 March 2020
Gratuity					
Present Value of defined benefit obligation	161.80	150.56	146.45	112.22	85.34
Fair value of plan assets	-	-	-	-	-
Surplus / (deficit) in the plan	(161.80)	(150.56)	(146.45)	(112.22)	(85.34)
Experience adjustments arising on plan liabilities [(gain)/ loss]	(11.18)	(11.18)	(19.66)	(8.71)	(1.51)
Experience adjustments arising on plan assets [gain/ (loss)]	-	-	-	-	-
Actuarial gain/(loss) due to change in assumption	-	-	7.59	(0.89)	(2.28)



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Note 35 - Information in accordance with the requirements of Accounting Standard 18 on Related Party Disclosures

(i) List of related party and relationship where control exists

(a) Enterprises having control over the Company with which transaction has taken place during the period.
Megatherm Electronics Private Limited - Immediate holding company

(b) Fellow Subsidiaries (with whom transactions have taken place during the period):
EMT Megatherm Private Limited

(ii) Names of the other related parties with whom transactions have taken place during the period

(a) Key Managerial Personnel

Mr. Shesadri Bhusan Chanda, Chairman and Managing Director
Mr. Satadri Chanda, Director
Mrs. Christina Paulchowdhury
Mrs Nisha Bhopalka , C.S (Resigned on 31-08-2023)
Mrs Abanti Saha Basu , C.S (appointed in 15-09-2023)

(iii) Details of transactions with related parties
Particulars

30 September 2023

Relating to Profit and Loss account

Sale of Products/services	1,433.17
EMT Megatherm Private Limited	1,230.01
Megatherm Electronics Private Limited	
Purchase of Products/Services	624.48
EMT Megatherm Private Limited	
Rent and Electricity Expenses	63.50
Megatherm Electronics Private Limited	
Salaries/ Managerial Remuneration	31.20
Mr. Shesadri Bhusan Chanda	43.50
Mr. Satadri Chanda	0.22
Mrs Abanti Saha Basu , C.S	0.55
Mrs Nisha Bhopalka , C.S	
Relating to Balance Sheet	
Advance given	675.00
Megatherm Electronics Private Limited	
Trademark on Lease	400.00
Megatherm Electronics Private Limited	
Property Plant and Equipment Purchased	738.86
Megatherm Electronics Private Limited	

Balances at the period end
Particulars

30 September 2023

Trade Receivables	984.89
EMT Megatherm Private Limited	331.29
Megatherm Electronics Private Limited	

Note 36 - Capital-Work-in Progress (CWIP)

(a) For Capital-work-in progress ageing schedule

CWIP	As on September 30, 2023				Total
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	160.40	-	-	0.43	160.83
Total	160.40	-	-	0.43	160.83

Note 37 - Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions

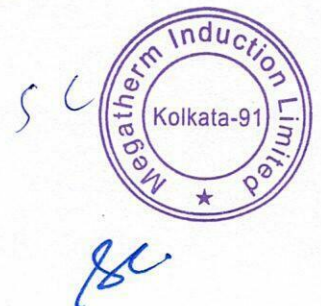
Name of the Bank	Aggregate Working Capital Limits sanctioned	Amount Utilized During Quarter	Quarter Ended	Amount disclosed as per quarterly return/ statement	Amount as per books of accounts	Amount of difference	Reason for Material Variance
Indian Bank	2,700.00	2,557.67	June 30, 2023	3,718.42	6,315.81	(2,597.39)	The Company has not considered the trade receivables due for more than 90 days and balances with Group Companies in the quarterly statement.
		2,512.15	September 30, 2023	4,301.68	6,006.67	(1,704.99)	

Note 38 - Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institutions in the current period.

Note 39 - Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, in the current period.



Note 40 - Registration of charges or satisfaction with Registrar of Companies

A brief description of the charges or satisfaction	The location of the Registrar	The period (in days or months) by which such charge had to be registered as on September 30, 2023	Reason for delay in registration
Motor Vehicle	Kolkata	34	No delay
Immovable property or any interest therein; Bookdebts; other assets of the company	Kolkata	117	No delay

Note - 41 Utilisation of Borrowed funds and share premium:

(i) The Company has not advanced or loaned or invested funds in current period to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The Company has not received any fund in current period 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,

Note 42 - Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the current period 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.

Note 43 - Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the current period.

Note 44 - Details of Benami Property held

The Company does not have any Benami property in current period, where any proceeding has been initiated or pending against the company for holding any Benami property.

Note 45 - Segment information

Primary Segment Information (Business Segment)

Segments have been identified in line with the Accounting Standard 17 - Segment Reporting, taking into account the nature of products and services, the different risks and returns, the organisational structure and the internal financial reporting system. The Company is engaged in the business of manufacturing and sale of induction. It has manufacturing location in India only. Based on the dominant source and nature of risk and returns of the Company, its internal organisation and management structure and its system of internal financial reporting, business segment has been identified as the primary segment. The Company has only one business segment.

Secondary Segment Information (Geographical Segment)

Particulars	September 30, 2023
Revenue by Geographical Market	
In India	11,598.99
Outside India	3,088.51
Total	14,687.50
Carrying Amount of Segment Assets	
In India	20,749.33
Outside India	293.04
Total	21,042.37
Additions to Property, Plant and Equipment and Intangibles (including movement in CWIP)	
In India	883.99
Outside India	-
Total	883.99

Note 46 - Unhedged foreign currency exposures

Foreign currency exposures on account of trade receivables / trade payables not hedged by derivative instruments are as follows:

Particulars	September 30, 2023		Amount
	Currency	Amount in FC*	
Trade Receivables	USD	3.50	290.94
Trade Payables	USD	9.49	788.81
	Euro	0.14	11.91

* In Lakhs



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Megatherm Induction Limited (Formerly Megatherm Induction Private Limited)
Notes forming part of the Special Purpose Condensed Financial Statements for the half year ended 30th September 2023

Note 47 - Ratios

S No.	Ratio	1 April 2023 to 30 September 2023		1 April 2022 to 30 September 2022		Ratio as on 1 April 2023 to 30 September 2023	Ratio as on 1 April 2022 to 30 September 2022	Variation	Reason (If variation is more than 25%)
		Numerator	Denominator	Numerator	Denominator				
(a)	Current Ratio	13,627.86	13,611.31	14,489.20	13,324.92	1.00	1.09	-7.92%	
(b)	Debt-Equity Ratio	4,480.46	5,821.98	4,714.48	4,435.58	0.77	1.06	-27.59%	The decrease in Debt Equity Ratio is due to repayment of debt and increase of profit
(c)	Debt Service Coverage Ratio	1,171.55	352.17	1,112.71	192.71	3.33	5.77	-42.39%	The decrease in Debt Service Coverage Ratio is mainly due to repayment of long term debts and increase in margins on product sold on account of increase in sales price of products and also per unit cost of production reduced as compared to previous period.
(d)	Return on Equity Ratio	759.34	5,821.98	773.36	4,435.58	13.04	17.44	-25.19%	The decrease in Return on Equity is mainly due to issue of Bonus shares during the period.
(e)	Inventory Turnover Ratio	11,165.21	7,482.67	9,809.70	7,256.28	1.49	1.35	10.37%	
(f)	Trade Receivables Turnover Ratio	14,611.38	2,850.67	12,984.08	2,795.85	5.13	4.64	10.37%	
(g)	Trade Payables Turnover Ratio	13,280.33	4,265.38	11,768.78	4,156.14	3.11	2.83	9.95%	
(h)	Net Capital Turnover Ratio	14,732.31	49.25	13,099.36	945.58	299.15	13.85	2059.44%	There is increase in net capital turnover ratio due to increase in the sales on account of increase in price of product and customer base of the company as compared to previous period and also there is lower utilization of working capital in current period.
(i)	Net Profit Ratio	759.34	14,687.50	773.36	13,060.90	0.05	0.06	-12.69%	
(j)	Return on Capital Employed	1,195.41	7,428.97	1,331.80	5,886.58	0.16	0.23	-28.88%	There is decrease in Return on Capital Employed is mainly due to increase in depreciation due to addition Fixed Assets.
(k)	Return on Investment	759.34	5,821.98	773.36	4,435.58	0.13	0.17	-25.19%	The decrease in Return on Capital Employed is mainly due to increase in depreciation due to addition Property Plant and Equipments.



SC
SE.



Note - 48 The Social Security Code, 2020

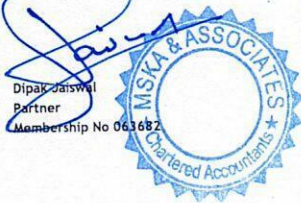
The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note - 49

The company is in process of listing in SME Platform of National Stock Exchange (NSE) and filled the Draft red herring prospectus ("DRHP" or "offer document") with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering of its equity shares of face value of Rs 10 each of the Company comprising a fresh issue of equity shares.

As per our report of even date
For M S K & Associates
Chartered Accountants
Firm Registration No.:105047W

Dipak Jaiswal
Partner
Membership No 061682



Place : Kolkata
Date: 09-11-2023

For and on behalf of the Board of Directors of
Megatherm Induction Limited
CIN : U31900WB2010PLC154236


Shesha Bhusan Chanda
Chairman & Managing Director
DIN: 00961593


Satish Chanda
Director & CFO
DIN: 02302312


Abanti Saha Basu
Company Secretary
Membership No:- A69276

Place : Kolkata
Date: 09-11-2023

